

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

07265258

Name of Company

Abacus Alpha Limited

I / We

Richard Jeffrey Rones, 311 High Road, Loughton, Essex, IG10 1AH

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 15/05/2015 to 14/05/2016

Signed 

Date 2/8/16

ThorntonRones Ltd
311 High Road
Loughton
Essex, IG10 1AH

Ref A196/RJR/JV/JMR

SATURDAY

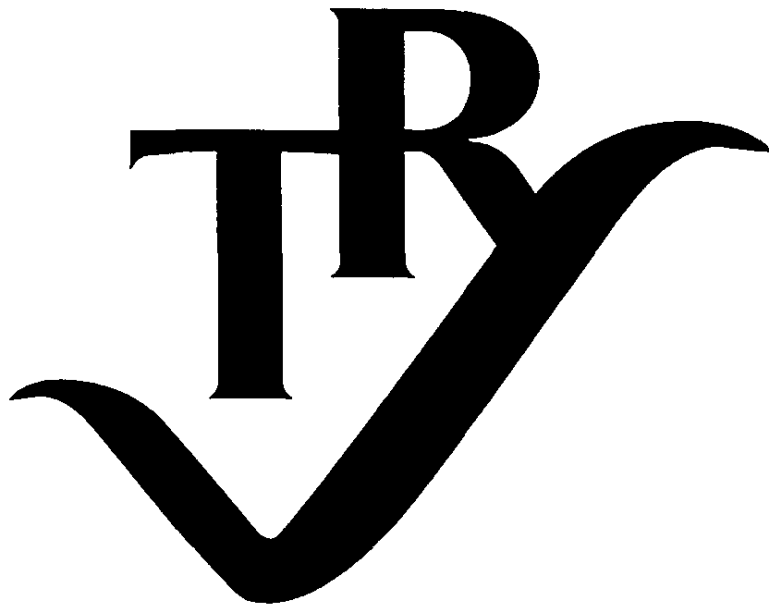


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**Liquidator's Annual
Progress Report to
Members**



Abacus Alpha Limited - In Liquidation

14 July 2016

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1 Introduction and Statutory Information

- 1 1 I, Richard Rones of ThorntonRones Limited, 311 High Road, Loughton, Essex IG10 1AH was appointed as Liquidator of Abacus Alpha Limited ("the Company") on 15 May 2015. This report provides an update on the progress in the liquidation for the year ended 14 May 2016.
- 1 2 The trading address of the Company was 17 The Pines, Lichfield, Staffs WS14 9XA. The business traded under the name Abacus Alpha Limited.
- 1 3 The registered office of the Company was changed to 311 High Road, Loughton, Essex IG10 1AH and its registered number is 07265258.
- 1 4 At Appendix A, I have provided an account of my Receipts and Payments for the year ended 14 May 2016, with a comparison to the Declaration of Solvency values.

2 Progress of the Liquidation

Assets

2 1 Cash at Bank

The Declaration of Solvency showed cash held in the Company's account of £76,405. The sum of £75,577.73 has been received from Santander plc, the difference being a cheque clearing through the account.

2 2 Bank interest (Gross)

The sum of £154.97 has been received in respect of interest on the funds held in the estate account.

3 Creditors' Claims

Secured Creditors

- 3 1 There are no secured creditors.

Preferential Creditors

- 3 2 There are no Preferential Creditors.

Unsecured Creditors

- 3 3 I received a claim totalling £481.40 from H M Revenue & Customs in respect of pre-liquidation Corporation Tax, which has been paid.

4 Distribution to Members

- 4 1 The following cash distributions to members have been made:

- A first interim dividend of £661.99 per share, was declared on 10 November 2015. Mr Andrew Swyers received payment in regards to his shareholding at this time, however the payment to him (as his late father's beneficiary) could not be made until Probate had been received. Once received, this payment was sent on 30 June 2016, which is after the period covered by this report.

5 Liquidator's Remuneration

- 5.1 The Members approved that the basis of the Liquidator's remuneration be on a fixed fee basis of £3,000 plus disbursements and VAT
- 5.2 To date, the Liquidator has drawn £2,500 plus disbursements and VAT against the total fixed fee approved by Members
- 5.3 Attached as Appendix B is additional information in relation to this firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge out rates by staff grade
- 5.4 Attached as Appendix C is a copy of 'A Shareholders' Guide to Liquidators' Fees'

6 Liquidator's Expenses and Disbursements

- 6.1 The following expenses and disbursements have been incurred since my appointment as Liquidator

	Nature of expenses incurred	Paid in the period covered by this report £	Incurred but not paid to date £	Total cost £
TMP (UK) Limited	Statutory advertising	472 35		472 35
AUA Insolvency Risk Services	Specific penalty bond	108 00		108 00
Findlay, Wetherfield, Scott & Co	Accountancy fees	900 00		900 00
Category 2 disbursements Photocopying			0 20	0 20

7 Members' Rights

- 7.1 Within 21 days of the receipt of this report, members with either at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company or with the permission of the Court, may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- 7.2 Any members with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company may within 8 weeks of receipt of this progress report, make an application to Court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive Liquidator's Expenses and Disbursements

8 Next report

- 8.1 I am required to provide a further report on the progress of the liquidation within two months of the end of the second anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write again with my final progress report and convene the final meeting of members

Yours faithfully


Richard Rones
Liquidator

Appendix B

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case

2 Professional Advisors

- 2.1 On this assignment the following professional advisors have been used

Name of Professional Advisor	Basis of Fee Arrangement
Findlay, Wetherfield Scott & Co (Accountancy fees)	Hourly rate and disbursements

3 Liquidator's Expenses & Disbursements

- 3.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report, is provided below

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising		472.35		472.35
Specific penalty bond		108.00		108.00

- 3.2 Category 1 disbursements do not require approval by members. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above
- 3.3 Category 2 disbursements do require approval from members. These disbursements can include costs incurred by ThorntonRones Limited for the provision of services which include an element of recharged overhead, for example, room hire or document storage
- 3.4 On this case the Category 2 disbursements have been incurred, which we do not intend to charge

Type and purpose	£
Photocopying	0 20
TOTAL	0 20

4 Charge-Out Rates

- 4.1 ThorntonRones Limited current charge-out rates effective from 30 April 2014 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

Staff	(per hour)
Insolvency Practitioner	380
Director	300
Manager	295
Administrator 1	215
Administrator 2	185
Administrator 3	160
Administrator 4	140
Cashier	117
Support Staff	94

Abacus Alpha Limited
Liquidator's Receipts & Payments Account
From 15 May 2015 to 14 May 2016

	Declaration of Solvency £	From 15/05/2016 to 14/05/2016 £
Receipts		
Cash at Bank	76,405 00	75,577 73
Bank Interest Gross	130 67	130 67
Total	<u>76,535 67</u>	<u>75,708 40</u>
Payments		
Corporation Tax		481 40
Specific Bond		108 00
Preparation of S of A		2,500 00
Accountancy fees		900 00
Statutory Advertising		472 35
Ordinary Shareholders		13,239 74
VAT Receivable		796 07
Total		<u>18,497 56</u>
Balance		<u>57,210 84</u>

Time Entry - SIP9 Time & Cost Summary

A196 - Abacus Alpha Limited
 All Post Appointment Project Codes
 From 15/05/2015 To 14/05/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.00	1.00	18.20	4.45	24.65	4,547.70	184.49
Case Specific Matters	0.60	0.00	20.30	0.00	20.90	3,998.50	191.32
Creditors	0.40	0.80	4.60	0.00	5.80	1,239.00	213.62
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.00	1.80	43.10	4.45	51.35	9,785.20	190.56
Total Fees Claimed						2,664.43	
Total Disbursements Claimed						0.00	

A SHAREHOLDERS GUIDE TO LIQUIDATORS FEES - ENGLAND AND WALES

1. Introduction

1.1 When a company goes into liquidation the costs of the proceedings are paid out of its assets. The members (shareholders), who hope to recover some of their investment, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as Liquidator.

The insolvency legislation recognises this interest by providing mechanisms for members to fix the basis of the Liquidator's fees. This guide is intended to help members be aware of their rights to approve and monitor fees, explains the basis on which fees are fixed and how members can seek information about expenses incurred by the Liquidator and challenge those they consider to be excessive.

2. Liquidation procedure

2.1 Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Liquidation may be either voluntary, when it is instituted by resolution of the shareholders, or compulsory, when it is instituted by order of the court.

2.2 Voluntary liquidation is the more common of the two. A solvent voluntary liquidation is called a members' voluntary liquidation (often abbreviated to 'MVL'). In this type of liquidation an insolvency practitioner acts as Liquidator throughout and the members vote on the appointment of the Liquidator at the meeting of members.

3. Fixing the Liquidator's remuneration

3.1 The basis for fixing the Liquidator's remuneration is set out in Rules 4.127 - 4.127B of the Insolvency Rules 1986. The Rules state that the remuneration shall be fixed

- as a percentage of the value of the assets which are realised or distributed or both,
- by reference to the time properly given by the Liquidator and his staff in attending to matters arising in the liquidation, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the Liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the Liquidator.

It is for the liquidation committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied. Rule 4.127 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the Liquidator in connection with the insolvency,
- the effectiveness with which the Liquidator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the assets which the Liquidator has to deal with.

3.2 If there is no liquidation committee, (which is usually the case in an MVL) or the committee does not make the requisite determination, the Liquidator's remuneration will be fixed by a resolution of a meeting of members. The members take account of the same matters as apply in the case of the committee. A resolution specifying the terms on which the Liquidator is to be remunerated may be taken at the meeting which appoints the Liquidator.

4. Review of remuneration

Where there has been a material and substantial change in circumstances since the basis of the Liquidator's remuneration was fixed, the Liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

5. What information should be provided by the Liquidator?

5.1 When fixing bases of remuneration

5.1.1 When seeking agreement for the basis or bases of remuneration, the Liquidator should provide sufficient supporting information to enable the committee or the members to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.

5.1.2 If any part of the remuneration is sought on a time costs basis, the Liquidator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.

5.1.3 The Liquidator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the Liquidator or his or her staff.

5.1.4 If work has already been carried out, the Liquidator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case.

Where the proposed charge is calculated on a time costs basis, the Liquidator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The Liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the Liquidator or his or her staff.

5.2 After the bases of remuneration have been fixed

The Liquidator is required to send progress reports to members at specified intervals (see paragraph 6.1 below). When reporting periodically to members, in addition to the matters specified in paragraph 6.1, the Liquidator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed.

Members should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the Liquidator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate).

Where any remuneration is on a time costs basis, the Liquidator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The Liquidator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the Liquidator or his or her staff.

5.3 Disbursements and other expenses

5.3.1 Costs met by and reimbursed to the Liquidator in connection with the liquidation should be appropriate and reasonable. Such costs will fall into two categories.

Abacus Alpha Limited
Liquidator's Receipts & Payments Account
From 15 May 2015 to 14 May 2016

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Ordinary Shareholders		13,239 74
VAT Receivable		796 07
Total		<u>18,497 56</u>
Balance		<u><u>57,210.84</u></u>

- Category 1 disbursements These are costs where there is specific expenditure directly referable both to the liquidation and a payment to an independent third party These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the Liquidator or his or her staff
- Category 2 disbursements: These are costs that are directly referable to the liquidation but not to a payment to an independent third party They may include shared or allocated costs that can be allocated to the liquidation on a proper and reasonable basis, for example, business mileage

Category 1 disbursements can be drawn without prior approval, although the Liquidator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the Liquidator's remuneration. When seeking approval, the Liquidator should explain, for each category of expense, the basis on which the charge is being made

5.3.2 The following are not permissible:

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the Liquidator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges

5.4 Realisations for secured creditors

Where the Liquidator realises an asset on behalf of a secured creditor and receives remuneration out of the proceeds (see paragraph 11.1 below), he should disclose the amount of that remuneration to the committee (if there is one), to any meeting of members convened for the purpose of determining his fees, and in any reports he sends to members

6. Progress reports and requests for further information

6.1 The Liquidator is required to send annual progress reports to members The reports must include

- details of the basis fixed for the remuneration of the Liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the Liquidator during the period of the report, irrespective of whether payment was actually made during that period,
- a statement of the members' rights to request further information, as explained in paragraph 6.2, and their right to challenge the Liquidator's remuneration and expenses.

6.2 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 member may request the Liquidator to provide further information about the remuneration and expenses set out in the report

6.3 The Liquidator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person, or
- the Liquidator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information

Any member may apply to the court within 21 days of the Liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

7. Provision of information - additional requirements

The Liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company

The information which must be provided is -

- the total number of hours spent on the case by the Liquidator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the Liquidator's appointment, or where he has vacated office, the date that he vacated office

The information must be provided within 28 days of receipt of the request by the Liquidator, and requests must be made within two years from vacation of office

8. What if a member is dissatisfied?

8 1 Except in cases where there is a liquidation committee, it is the members as a body who have authority to approve the Liquidator's fees. To enable them to carry out this function they may require the Liquidator to call a members' meeting. In order to do this at least ten per cent in value of the members must concur with the request, which must be made to the Liquidator in writing

8 2 If a member 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

9. What if the Liquidator is dissatisfied?

If he considers that the remuneration fixed by the liquidation committee, or by the members is insufficient, or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed

If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the Liquidator's notice of his application must be sent to such of the shareholders as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

10. Other matters relating to remuneration

10 1 Where the Liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with a scale set out in the Rules. Usually, however, the Liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

10 2 Where two (or more) joint Liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, the committee or a meeting of creditors

10 3 If the appointed Liquidator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the members or the court.

10 4 If a new Liquidator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new Liquidator until a further determination, resolution or court order is made

10.5 Where the basis of the remuneration is a set amount, and the Liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing Liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing Liquidator and the incoming Liquidator are from the same firm, they will usually agree the apportionment between them.

11. Effective date

This guide applies where a company goes into liquidation on or after 1 November 2011.