

**Lancaster Asset Management Limited**

**Liquidator's draft final report**

**RECEIPTS AND PAYMENTS ACCOUNT**

My Receipts & Payments Account for the period from 12<sup>th</sup> September 2014 to 28<sup>th</sup> May 2015 is attached at Appendix 1.

Estate funds were banked in a designated clients' account at a UK bank and accordingly there is no account held by the Secretary of State to reconcile the attached report to.

**ASSETS**

**Land and buildings freehold**

A nil balance was shown in the last set of accounts dated 30<sup>th</sup> November 2012 in respect of the above asset. Confirmation has been received from the director confirming that the properties were sold in 2011 and therefore it was expected that no value will be achieved from this source in Liquidation and as such no realisation has been achieved.

**Fixtures, fittings and equipment**

Fixtures, fittings and equipment were shown in the last set of accounts as at 30<sup>th</sup> November 2012 with a net book value of £155. The accountant advised that fixtures, fittings and equipment were made up of computer equipment with a value of £95 and office equipment with a value of £60 and that these assets were historical and that no sum will be realised upon the Liquidation of the Company. I can confirm that no realisation has been achieved.

**Motor Vehicles**

The balance of £3,900 is shown in the last set of accounts as at 30<sup>th</sup> November 2012. The accountant confirmed that motor vehicles have been disposed of in the early part of 2014 and therefore no realisation is expected to be achieved from this source in Liquidation. No sums have been realised from this source in Liquidation.

**Investments**

Investments are shown in the last set of accounts as at 30<sup>th</sup> November 2012 with a net book value of nil. It is expected that no realisation will be achieved from this source in Liquidation and this has been the case in Liquidation.

**Debtors**

Debtors are shown in the last set of accounts as at 30<sup>th</sup> November 2012 with a net book value of £234. The accountant confirmed that this was in respect of a director's loan account and it is unsure at this present time what the current value is in respect of book debts. It was agreed that once a Liquidator has been appointed, this will be investigated to see if any realisation can be obtained from this source. I can confirm that I have been liaising with the director in respect of potential book debts and there are no debtors that are outstanding.

**Cash at bank and in hand**

Cash at bank and in hand was shown in the last set of accounts as at 30<sup>th</sup> November 2012 with a net book value of £57,918. The director confirmed that the current level of cash at bank and in hand as at 30<sup>th</sup> August 2014 stood at £105.86 and it is expected that this amount be realised in full. The amount of £98.26 has been realised.

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## **Other Assets**

There has been no other realisation of assets other than net bank interest of £0.14 received from Lloyds Bank.

## **LIABILITIES**

### **Secured Liabilities**

An examination of the company's mortgage register held by the Registrar of Companies, showed that the company granted two legal mortgage charges to AIB Group (UK) PLC, the first being registered on the 04/06/2006 and the second registered on the 09/06/2006.

A search at Companies House shows that the above debentures are still outstanding however correspondence has been received from AIG Group (UK) PLC confirming that all liabilities have been paid in full and therefore no sums are due to the debenture holder.

No claim has been received in respect of either charge.

### **Preferential Creditors**

The statement of affairs anticipated no liability in respect of preferential creditors and no claims have been received.

### **Crown Creditors**

The statement of affairs showed no liability owed to HMRC however HMRC has submitted a final claim of £1,842,171.53 has been received. The reason for the difference is because we were not made aware of the liability to HMRC in respect of Corporation Tax by the director.

### **Unsecured Creditors**

The statement of affairs included 3 unsecured creditors with an estimated total liability of £127,984.80. I have received claims from 1 creditor at a total of £1,744.80. I have not received claims from two creditors with original estimated claims in the statement of affairs of £126,240.

## **DIVIDENDS**

A dividend has not been paid to unsecured creditors in this liquidation as the funds realised have been used to meet the expenses of the liquidation.

## **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

There were no matters that justified further investigation in the circumstances of this appointment.

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 him unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

## **LIQUIDATOR'S ACTIONS SINCE APPOINTMENT**

Since my appointment as Liquidator, I have corresponded with the Company bank in respect of the funds held on the account and I have realised £98.26.

I have received confirmation from the director that there are no debtors outstanding and I am satisfied that no other realisation of assets will be achieved.

I have corresponded with all of the creditors accordingly and admitted claims when appropriate.

I have filed all of the necessary tax returns to the Revenue and I have written to all Crown departments to obtain clearance to allow the closure of the case and as such no objection has been received in the time scaled provided.

I am satisfied that there are no other administrative matters that will occur from the date of this report to the date of the final meetings.

## **PRE-APPOINTMENT REMUNERATION**

The board previously authorised the payment of a fee of £4,000 plus VAT for assistance with preparing the statement of affairs, producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 31<sup>st</sup> July 2014. The fee for the statement of affairs and meetings was paid pre-appointment.

## **LIQUIDATOR'S REMUNERATION**

My remuneration was previously authorised by creditors at a meeting held on 12<sup>th</sup> September 2014 to be drawn on a time cost basis. My total time costs to 28<sup>th</sup> May 2015 amount to £5,341.00 plus VAT, an average of £218.11 plus VAT per hour representing 24.9 hours. The Liquidator has not been able to draw any remuneration in respect of time costs incurred as there has been insufficient realisation of assets.

A schedule of my time costs incurred to date is attached as Appendix 1.

A description of the routine work undertaken in the liquidation to date is as follows:

1. Administration and Planning
  - Preparing the documentation and dealing with the formalities of appointment.
  - Statutory notifications and advertising.
  - Preparing documentation required.
  - Dealing with all routine correspondence.
  - Maintaining physical case files and electronic case details on Vision Blue.
  - Review and storage.
  - Case bordereau.
  - Case planning and administration.
  - Preparing reports to members and creditors.
  - Convening and holding meetings of members and creditors.

2. Cashiering
  - Maintaining and managing the liquidator's cashbook and bank account.
  - Ensuring statutory lodgements and tax lodgement obligations are met.
3. Creditors
  - Dealing with creditor correspondence and telephone conversations.
  - Preparing reports to creditors.
  - Maintaining creditor information on Vision Blue.
  - Reviewing and adjudicating on proofs of debt received from creditors.
4. Investigations
  - Review and storage of books and records.
  - Prepare a return pursuant to the Company Directors Disqualification Act.
  - Conduct investigations into suspicious transactions.
  - Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors.
5. Realisation of Assets
  - Liaising with the company's bank regarding the closure of the account.

The Statement of Insolvency Practice 9 "A Creditors Guide to Insolvency Practitioners' Fees" may be found on our website <http://www.dcabr.co.uk/business-advice-guides>. Information relating to my firms fees and details of disbursements are available is attached. Should however you require a copy of these documents to be sent to you please contact my office.

## LIQUIDATOR'S EXPENSES

My expenses to 28<sup>th</sup> May 2015 amount to £445.57 plus VAT and I have drawn £59.47 plus VAT to date as there have been insufficient asset realisations in order for me to draw all of my disbursements in full.

The following expenses were incurred but have not been paid:

Type of expense	Amount of expense incurred/accrued to date £	Amount unpaid £
Statutory Advertising	£276.61	£276.61
Case Management Fee	£110.00	£110.00

There is currently £38.93 held in the Company bank account and once the final interest of £0.01 has been received from Lloyds Bank the Liquidator will draw this as part payment of the statutory advertising costs incurred. This will be drawn before the final meeting dates.

## FURTHER INFORMATION

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 Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

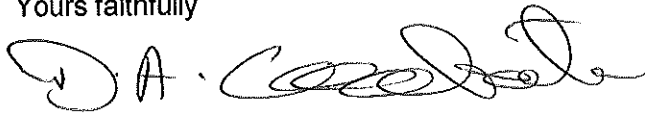
An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

## **SUMMARY**

The winding up of the company is now for all practical purposes complete and I am able to summon final meetings of the company's members and creditors to receive my final report and seek my release as liquidator.

Creditors should note that if I obtain my release as liquidator at the final meetings of members and creditors on 6<sup>th</sup> August 2015, my case files are placed in storage thereafter. If creditors have any queries they are asked to contact Toni James at this office.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D.A. Cockerton', written in a cursive style.

**Deborah Ann Cockerton MABRP MIPA**  
**Liquidator of Lancaster Asset Management Limited**

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**Analysis of Liquidator's Time Costs**

**Appendix 2**

In accordance with the Statement of Insolvency Practice No.9, creditors are advised that:-

1. The basis of the fees to be taken by the Liquidator was approved at the Meeting of Creditors held on 12/09/2014. It was resolved that such fees be paid on a time cost basis. This firm's standard insolvency rates with effect from 1st April 2014 are as stated below. For periods prior to this date lower rates will have applied. All rates are exclusive of valued added tax.

<b>GRADE</b>	<b>Hourly rate from 1st April 2014 £</b>
Partner	350
Senior Manager	275
Manager	250
Senior Administrator (Grade 1)	225
Senior Administrator (Grade 2)	200
Administrator (Grade 1)	175
Administrator (Grade 2)	150
Administrator (Grade 3)	110

2. The total hours expended by the Liquidator and all staff involved with the case during the period 12<sup>th</sup> September 2014 to 28<sup>th</sup> May 2015, which is also the whole period is 24.9 hours. The Liquidator has ensured that during each period the appropriate member of staff has undertaken the different tasks involved taking into account the complexity of the task and the qualifications and experience of the person involved.
3. The charge out value of the period 12<sup>th</sup> September 2014 to 28<sup>th</sup> May 2015, which is also the whole period, is £5,341.00 plus VAT, an average of £218.11 plus VAT per hour for this period and for the whole period. However there are insufficient funds to pay the Liquidator at the time of this Report.
4. A general analysis of the time incurred during the period 12<sup>th</sup> September 2014 to 28<sup>th</sup> May 2015 confirms that work has been undertaken in the following areas:-

Classification of Work	HOURS					Time Costs Incurred	Average Hourly Rate
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration and Planning	4.6	0.9	13.00	2.3	20.8	£4,486.00	£215.67
Investigations	1		2.2		3.2	£735.00	229.6875
Realisation of Assets	0.2				0.2	£70.00	£350.00
Trading							
Creditors	0.1		0.4	0.2	0.7	£140.00	£200.00
Case Specific Matters							
<b>Total</b>	<b>5.9</b>	<b>0.9</b>	<b>15.6</b>	<b>2.5</b>	<b>24.9</b>	<b>£5,431.00</b>	<b>£218.11</b>

**Re: LANCASTER ASSET MANAGEMENT LIMITED  
CREDITORS VOLUNTARY LIQUIDATION**

**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD 12/09/2014 - 28/05/2015**

Estimated Realisations per Declaration of Solvency		First Period Ended 28/05/2015	Period Between Date of Report & Final Meeting	Cumulative Total
<b><u>RECEIPTS</u></b>				
-	Balance Brought Forward	-	38.93	-
-	Debtors	-	-	-
105.86	Cash at Bank	98.26	-	98.26
-	Net Bank Interest	0.14	-	0.14
<u>105.86</u>		<u>98.40</u>	<u>38.93</u>	<u>98.40</u>
<b><u>PAYMENTS</u></b>				
	Insolvency Bond	24.00	-	24.00
	Stationery	16.90	-	16.90
	Postage	10.57	-	10.57
	Search Fees	8.00	-	8.00
	Statutory Advertising	-	38.93	38.93
	Balance Held in a Lloyds Bank plc interest bearing bank account	38.93	-	-
		<u>98.40</u>	<u>38.93</u>	<u>98.40</u>

*Figures shown are net of VAT*