

# 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

00104394

Name of Company

Ashpol plc

/ We

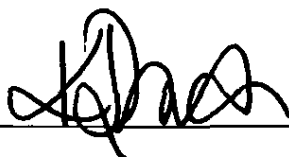
Kirstie Jane Provan, 31st Floor, 40 Bank Street, London, E14 5NR

Mark Robert Fry, 31st Floor, 40 Bank Street, London, E14 5NR

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 10/09/2015 to 09/09/2016

Signed



Date

31 October 2016

Begbies Traynor (Central) LLP  
31st Floor  
40 Bank Street  
London  
E14 5NR

Ref AS041CVL/KJP/MRF/JWC/GP/LMMc

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## **Ashpol Plc (In Creditors' Voluntary Liquidation)**

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Progress report pursuant to Section 104A of the  
Insolvency Act 1986 and Rule 4.49C of the  
Insolvency Rules 1986

Period: 10 September 2015 to 9 September 2016

### **Important Notice**

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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## 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Ashpol Plc (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the Joint Liquidators", "we", "our" and "us"	Kirstie Jane Provan and Mark Robert Fry, both of Begbies Traynor (Central) LLP, 31st Floor, 40 Bank Street, London, E14 5NR
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading name(s)	Ashpol Plc
Company registered number	00104394
Company registered office	31st Floor, 40 Bank Street, London, E14 5NR
Former trading address	3rd Floor, 5 Wigmore Street, London, W1U 1PB

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	10 September 2013
Date of liquidators' appointment	10 September 2013
Changes in liquidator (if any)	None

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is the Joint Liquidators' abstract of receipts and payments for the period from 10 September 2015 to 9 September 2016

### Receipts

#### **Bank Interest Gross**

An amount of £1,042 was received in respect of bank interest during the period of this report

### Payments

#### **Joint Liquidators' Fees**

An amount of £5,000 was paid to Begbies Traynor (Central) LLP in respect of the Joint Liquidators' fees during the period, full details of which can be found in section 6 of this report

#### **Corporation Tax**

An amount of £2 was paid to HM Revenue & Customs during the period in respect of corporation tax due and payable

**What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?**

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings, the Joint Liquidators have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but the Joint Liquidators have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2

A summary of the work done during the period of the report is below

#### General case administration and planning

Work undertaken falling under this heading includes dealing with the day-to-day running of the liquidation and handling of receipts and payments as above

#### Compliance with the Insolvency Act, Rules and best practice

Work undertaken falling under this heading includes ensuring compliance with professional standards and dealing with statutory filings, reports and meetings

#### Investigations

There have been no investigations made

#### Realisation of assets

There have been no further asset realisations

Dealing with all creditors' claims (including employees), correspondence and distributions

The Joint Liquidators have adjudicated unsecured creditors' claims and dealt with correspondence received from creditors

Other matters which includes meetings, tax, litigation, pensions and travel

The Joint Liquidators have completed and filed VAT and tax returns periodically as required

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the progress report of the former Joint Administrators for the period from 23 August 2013 to 10 September 2013

On the basis of realisations to date, the Joint Liquidators estimate an outcome for each class of the Company's creditors as follows

### **Secured creditor**

#### *Law Debenture Trustees Limited ("The Trustee")*

As previously reported the Trustee was paid a distribution of £50m following the sales of property that was subject to Receivership. This distribution equated to approximately to £0.66 for each £1.00 in nominal value of stock.

The Group does not have any material assets and, save to the extent that there are other as yet unidentified material assets, the Stockholders rank *pari passu* with the other unsecured creditors in respect of any outstanding amounts owed by the Company to Stockholders.

### **Preferential creditors**

There are no known preferential creditors.

### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

As confirmed in the Joint Liquidators' last progress report, there are no prescribed part funds available to the unsecured creditors of the Company.

### **Unsecured creditors**

A dividend of 3.15 pence in the £1 was paid to the unsecured creditors in June 2014.

One unsecured claim is still to be adjudicated by the Joint Liquidators. The claim has been provided for and the Joint Liquidators are holding funds of £210,906 to settle that claim.

There are insufficient funds to pay a further dividend as the balance of funds realised have already been distributed or used or allocated to defray the expenses of the liquidation.

## 6. REMUNERATION & DISBURSEMENTS

Pursuant to Rule 4.127(5A)(a) of the Rules, the Joint Liquidators' remuneration is treated as having been fixed on the same basis as the former Joint Administrators, by reference to the time properly

given by them (as Joint Liquidators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation

Pursuant to Statement of Insolvency Practice 9, the Joint Liquidators are also authorised to draw disbursements, including disbursements for services provided by their firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) on the same basis as the former Joint Administrators, namely, in accordance with their firm's policy, a copy of which is attached at Appendix 2 of this report

The Joint Liquidators' time costs for the period from 10 September 2015 to 9 September 2016 amount to £7,608 which represents 29 30 hours at an average rate of £259 66 per hour

The following further information in relation to their time costs and disbursements is set out at Appendix 2

- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Table of time spent and charge-out value for the period 10 September 2015 to 9 September 2016
- ☐ Cumulative table of time spent and charge-out value for the period from 10 September 2013 to 9 September 2016

To 9 September 2016, the Joint Liquidators have drawn the total sum of £137,900 on account of their remuneration, against total time costs of £143,401 incurred since the date of their appointment as Joint Liquidators

To 9 September 2016, the Joint Liquidators have also drawn disbursements in the sum of £189

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact the Joint Liquidators' office and they will arrange to send you a copy

## 7. JOINT LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

## 8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

**What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?**

### General case administration and planning

The Joint Liquidators will continue to properly maintain their case files and will need to process certain receipts and payments into and from the liquidation estate bank account during the final period of the liquidation

#### Compliance with the Insolvency Act, Rules and best practice

A draft final progress report will be compiled and sent to creditors ahead of the final meetings of members and creditors and various final statutory obligations will need to be complied with as regard statutory filing and advertising

It will also be necessary to continue to maintain the liquidation estate bank accounts

#### Dealing with all creditors' claims (including employees), correspondence and distributions

As detailed earlier in this report, one unsecured claim is still to be adjudicated by the Joint Liquidators. The claim has been provided for and the Joint Liquidators are holding funds of £210,906 to settle that claim. This claim relates to a party that is part of the same group and is subject to ongoing legal discussions, which is causing the delay.

There are insufficient funds to pay a further dividend as the balance of funds realised have already been distributed or used or allocated to defray the expenses of the liquidation and the above is therefore the only known task for the Joint Liquidators to undertake which falls under this heading.

#### Other matters which includes meetings, tax, litigation, pensions and travel

Final corporation tax returns and VAT returns will be compiled and submitted to HM Revenue & Customs ahead of the closure of the liquidation.

#### **How much will this further work cost?**

It is anticipated that future costs in the region of £5,000 to £10,000 will be incurred in respect of the above work.

#### **Expenses**

It is not anticipated that any further significant expenses will be incurred.

## **9. CREDITORS' RIGHTS**

#### **Right to request further information**

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been incurred during the period of this progress report.

#### **Right to make an application to court**

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.



## 10. CONCLUSION

The Joint Liquidators will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner

A handwritten signature in black ink, appearing to read 'Kirstie Jane Provan', written in a cursive style.

Kirstie Jane Provan  
Joint Liquidator

Dated 2 November 2016

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# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 10 September 2015 to 9 September 2016

**Ashpol plc**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 10/09/2015 To 09/09/2016	From 10/09/2013 To 09/09/2016
<b>ASSET REALISATIONS</b>		
Surplus from administration period	NIL	1,794,148 26
VAT Refund from administration	NIL	5,461 33
Bank Interest Gross	1,042 37	8,983 07
Bank Interest Net of Tax	NIL	1,660 90
	<u>1,042 37</u>	<u>1,810,253 56</u>
<b>COST OF REALISATIONS</b>		
Joint Administrators' time costs	NIL	7,097 00
Joint Administrators' Disbursements	NIL	1 47
Joint Liquidators' Fees	5,000 00	134,700 00
Joint Liquidators' Expenses	NIL	189 06
Legal Fees	NIL	7,391 65
Legal Disbursements	NIL	0 30
Corporation Tax	2 23	14,730 75
Statutory Advertising	NIL	338 40
	<u>(5,002 23)</u>	<u>(164,448 63)</u>
<b>DISTRIBUTIONS</b>		
Unsecured creditor distribution	NIL	1,426,866 60
	NIL	(1,426,866 60)
	<u><b>(3,959 86)</b></u>	<u><b>218,938.33</b></u>
<b>REPRESENTED BY</b>		
Vat Receivable		1,000 00
Bank 2 Current		4,778 77
Corporate Bonus Account 0 55% Sant		213,159 56
		<u><b>218,938.33</b></u>



Kirstie Jane Provan  
Joint Liquidator

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging disbursements
- b Begbies Traynor (Central) LLP's charge-out rates
- c Table of time spent and charge-out value for the period 10 September 2015 to 9 September 2016
- d Cumulative table of time spent and charge-out value for the period from 10 September 2013 to 9 September 2016

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories.

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £150 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1

## **BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the London office as at the date of this report are as follows

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 May 2016 – until further notice</b>
Consultant/Partner	495 – 550
Director	395
Senior Manager	365
Manager	315
Assistant Manager	285
Senior Administrator	250
Administrator	220
Trainee Administrator	160
Support	160

Prior to 1 May 2016, the following rates applied

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Partner	495
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Trainee Administrator	160
Support	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Ashpol plc - Creditors Voluntary Liquidation - 01AS041.CVL : Time Costs Analysis From 10/09/2015 To 09/09/2016

Staff Grade	Consultant/Par Incr	Director	Snr Mgr	Mngr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning												
Administration	2.5			2.0		0.7	1.0	2.9		5.1	1,188.50	235.00
Total for General Case Administration and Planning	2.5			2.0		0.7	1.0	2.9		9.1	2,881.00	294.82
Compliance with the Insolvency Act, Rules and best practice												
Appointment												
Banking and Bonding												
Case Closure									3.6	3.6	408.00	112.78
Statutory reporting and statement of affairs	1.8			1.0		1.2				4.0	1,488.00	372.00
Total for Compliance with the Insolvency Act, Rules and best practice, CODA and investigations	1.8			1.0		1.2			3.6	7.6	1,894.00	249.21
Investigations												
Total for Investigations												0.00
Realisation of assets												
Debt collection						0.4				0.4	94.00	235.00
Property business and asset sales												0.00
Retention of Third/Third party assets												0.00
Total for Realisation of assets						0.4				0.4	94.00	235.00
Trading												0.00
Total for Trading												0.00
Dealing with all creditors claims (including employees), correspondence and distributions												
Secured												0.00
Others				0.4		5.1				5.5	1,324.50	240.82
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions				0.4		5.1				5.5	1,324.50	240.82
Other matters which includes meetings, tax, litigation, pensions and travel												
Meetings												0.00
Other												0.00
Tax				0.5		1.1				1.6	416.00	260.00
Litigation												0.00
Total for Other matters				0.5		1.1				1.6	416.00	260.00
Total hours by staff grade	4.3			3.9		13.6	1.0	2.9	3.6	29.3		
Total time cost by staff grade	2,128.60			1,228.60		3,196.00	185.00	484.00	408.00		7,808.00	
Average hourly rate £	496.00	0.00	0.00	315.00	0.00	235.00	185.00	160.00	112.78			259.66
Total fees drawn to date £											5,000.00	

# SIP9 Ashpol plc - Creditors Voluntary Liquidation - 01AS041.CVL : Time Costs Analysis From 10/09/2013 To 09/09/2016

Staff Grade	Consultant/Par Incr	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	2 6			2 8	39 4	7 7	15 8			68 3	17 539 50	256 80
Administration	8 2	0 2		15 3	129 8	0 7	15 2	32 2		201 6	52 132 00	258 59
Total for General Case Administration and Planning	10 8	0 2		18 1	169 2	8 4	31 0	32 2		289 9	89 671 50	268 14
Compliance with the Insolvency Act, Rules and best practice				1 1						1 1	348 50	315 00
Appointment												
Banking and Bonding					0 1				35 0	35 1	4 907 00	139 80
Case Closure					2 7					2 7	728 00	270 00
Statutory reporting and statement of affairs	6 6	0 1		2 3	5 6	4 4	11 4	2 4		32 8	9 070 00	276 52
Total for Compliance with the Insolvency Act, Rules and best practice	6 6	0 1		3 4	8 4	4 4	11 4	2 4	35 0	71 7	15 062 50	209 94
Investigations	2 1			0 9	10 7					13 7	4 212 00	307 45
Realisation of assets	2 1			0 8	10 7					13 7	4 212 00	307 45
Debt collection				0 8		0 4				1 2	348 00	288 33
Property business and asset sales	1 3			0 2						1 5	706 50	471 00
Retention of Title/Third party assets												0 00
Total for Realisation of assets	1 3			1 0		0 4				2 7	1 052 50	389 81
Trading												0 00
Total for Trading												0 00
Dealing with all creditors claims (including employees), correspondence and distributions	15 7			22 2	86 0	5 4	21 7	4 8		155 8	44 038 00	282 84
Creditors committee	0 6									0 6	287 00	485 00
Total for Dealing with all creditors claims (including employees), correspondence and distributions	16 3			22 2	86 0	5 4	21 7	4 8		166 4	44 333 00	283 46
Other matters which includes meetings, tax, litigation, pensions and travel					0 8					0 8	216 00	270 00
Other												0 00
Tax	1 8			2 7	11 0	2 1	1 4	3 7		22 7	6 056 00	266 78
Litigation			3 5	0 4	5 2					9 1	2 807 50	308 52
Total for Other matters	1 8		3 5	3 1	17 0	2 1	1 4	3 7		32 6	9 078 50	278 51
Total hours by staff grade	38 9	0 3	3 6	48 7	291 3	20 7	65 6	43 1	35 0	647 0		
Total time cost by staff grade	19 256 50	118 50	1 277 50	15 340 50	78 651 00	4 864 50	12 117 50	6 896 00	4 880 00		143 401 00	
Average hourly rate £	495 00	395 00	365 00	315 00	270 00	235 00	185 00	180 00	139 43			262 16
Total fees drawn to date £											137 900 00	



## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Postage	Royal Mail	98 30	0 00	98 30

The total sum incurred in respect of expenses during the liquidation to 9 September 2016 is £287 36 which relates to postage, statutory advertising and storage costs

Of this, only the expenses incurred during the period of this report totalling £98 30 have not yet been drawn