

The Insolvency Act 1986

# Notice of move from administration to creditors' voluntary liquidation

# 2.34B

Name of Company

Parity Training Limited

Company number

00855309

In the High Court of Justice, Chancery Division  
Birmingham District Registry

(full name of court)

Court case number 8270  
of 2010(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a) Claire Louise Middlebrook  
Henderson Loggie  
34 Melville Street  
Edinburgh  
EH3 7HA

Graeme Cameron Smith  
Henderson Loggie  
34 Melville Street  
Edinburgh  
EH3 7HA

(b) Insert name and  
address of the  
registered office of  
company

having been appointed administrator(s) of (b) Parity Training Limited  
3rd Floor, 120 Moorgate, London, EC2M 6UR

(c) Insert date of  
Appointment

on (c) 10 June, 2010

(d) insert name of  
appointor/applicant

by (d) Kevin Wildman, (Chief Executive Officer), (duly authorised by the board of directors of the company  
to make the declaration), 3rd Floor, 120 Moorgate, London, EC2M 6UR  
hereby give notice that

(e) Insert name(s) and  
address(es) of  
liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e)  
Claire Louise Middlebrook & Graeme Cameron Smith both of Henderson Loggie, 34 Melville Street,  
Edinburgh, EH3 7HA  
will be the liquidator(s) of the company (IP No(s) 9650 & 7329 )

We attach a copy of the final progress report

Signed



Joint / Administrator(s)

Dated

5 May 2011

## Contact Details:

You do not have to give any contact  
information in the box opposite but if  
you do, it will help Companies House to  
contact you if there is a query on the  
form

Claire Louise Middlebrook  
Henderson Loggie  
34 Melville Street  
Edinburgh  
EH3 7HA

DX Number

0131 226 0218

DX Exchange

When you have completed and signed this form, please send it to the  
Registrar of Companies at -  
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

SATURDAY



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\*AH1QSTX0\*

07/05/2011

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COMPANIES HOUSE

PARITY TRAINING LIMITED - IN ADMINISTRATION

APPENDIX 1

Analysis of Claire Louise Middlebrook and Graeme Cameron Smith's Claim for Remuneration for the whole period of the administration.

		Practioner	Partner	Director	Senior Insolvency Manager	Insolvency Manager	Senior Insolvency Supervisor	Insolvency Supervisor	Insolvency Administrator	Cashier	Admin	Total Hours	Fees £	Average hourly rate £
Rate from	(a)	Insert	Insert	Insert										
Rate from	(b)													
Rate from	(c)	295	295	250	225	170	170	110	75	75	50			
Administration and Planning	(d)			78 00		18 50						96 50	22,645 00	234 66
Reports and Investigations	(e)													
Recovery of Assets (Rev)	(f)			2 00		11 50						13 50	2 455 00	181 85
Recovery of Assets (Mer)	(g)													
Trading	(h)													
Creditors	(i)													
Accountants etc.	(j)													
General	(k)													
Taxation	(l)													
Employee	(m)													
Debtors	(n)													
Other Specific matters	(o)													
Total Hours	(p)	13 05	0 00	152 10	14 75	516 00	0 00	173 40	204 85	17 45	74 05	1165 65	172,362 50	
Total Fee		3849 75	0 00	38025 00	3318 75	87720 00	0 00	19074 00	15363 75	1308 75	3702 50		172,362 50	

Other amounts (excluding remuneration) paid or payable to Henderson Loggie CA, or to any party in which the Liquidator, Henderson Loggie CA, or any associate has an interest.

Date	Narrative	£
24/02/2011	Mileage - GWM	29 73
Total		29 73
Amounts paid or payable to the Liquidator's Legal Agents		£
Total		0 00

## 2. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Name(s) of joint administrator(s)	Claire L Middlebrook, a Licensed Insolvency Practitioner of Henderson Loggie, 34 Melville Street, Edinburgh EH3 7HA and Graeme C Smith, a Licensed Insolvency Practitioner of Henderson Loggie, 34 Melville Street, Edinburgh EH3 7HA
Date of administrators' appointment	10 June 2010
Cont'd/	
Court	High Court of Justice, Chancery Division, Birmingham District Registry
Court Case Number	8270 of 2010
Person(s) making appointment / application	Kevin Wildman, (Chief Executive Officer) (duly authorized by the board of directors of the Company to make this declaration) 3 <sup>rd</sup> Floor, 120 Moorgate, London, EC2M 6SS
Acts of the joint administrators	The joint administrators act as officers of the court and as agents of the Company without personal liability Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time
EC Regulation on Insolvency	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation

## 3. PROGRESS DURING THE PERIOD 10 DEC 2010 TO 3 MAY 2011

I now report on the asset realisation since the date of my last report, namely 9 December 2010, and I enclose a copy of my receipts and payments account for this period I also enclose a receipts and payments account for the whole period from 10 June 2010 to 3 May 2011

During the period I have successfully concluded the negotiation and licence of the course material produced by Parity Training Limited My options were somewhat restricted due to the condition of the electronic storage of training material Due to the reputation and size of the company I received significant interest from numerous competitors trying to acquire the rights to the course material Whilst the sale of the assets was concluded during the period, efforts to maximise the return from this asset had been ongoing since appointment As with the other aspects of the information pertaining to the Company, the course material was in dissary Investigations were made of a former employee who requested payment / expenses on the same basis as his contract The costs of this were prohibitive, and the length of time estimated for the exercise was in the region of 6-12 months I was unconvinced that the exercise of sorting and cataloguing the course material would have produced greater returns to creditors Taking these factors into account I determined that it would be more cost efficient to license the use of the existing material which was already in the possession of the ultimate purchaser rather than try to recreate course material from the information held on the company's system

The sale has now concluded and the consideration for the licence is reflected in the enclosed account

As you will be aware the most significant asset in the company was the amount due in respect of the debtors ledger. To date I have successfully ingathered the sum of £408,200. Whilst this figure only represents a small increase from the time of my last report I can confirm that in working closely with my law agents significant progress has been made in the collection of outstanding debtor balance. As a consequence, I hope to ingather further sums during the subsequent liquidation which will, in turn, increase the amount available for a dividend. In my previous report I also mentioned that the debtor recovery had been complicated by the condition of the books and records of the company. However, given the level of the outstanding balance per the company's books and records it has been necessary to expend a significantly higher number of hours than originally anticipated trying to agree the balances with the individual debtors and provide my legal agents with sufficient information to raise actions, were necessary.

You will recall from my last report that I enclosed a copy of my Adjudications on Preferential Creditor Claims. I have now almost concluded the distribution to this class of creditor, with the exception of three former employees. I have issued reminders to these employees in order to progress matters. I shall shortly also pay to HMRC the deductions I made in respect of Tax and National Insurance, which amounts to £9,077.40 and £4,978.46 respectively.

During the period a former employee lodged an Employment Tribunal. After lengthy negotiations I along with the other respondents reached a settlement with the former employee. The settlement figure is reflected in the attached accounts. This figure represents only 15% of the total amount paid to the former employee with the second respondent paying the remaining 85%. I took the decision to pay this amount after consulting with my legal agents regarding the potential cost of defending the action within in the administration estate. I was advised that these costs were likely to be in the region of £8-£10k.

As there will be sufficient funds remaining to facilitate a distribution to unsecured creditors it is my intention to now place the company in to Creditors Voluntary Liquidation, which is in line with my original proposal document.

#### **4. ASSETS THAT REMAIN TO BE REALISED**

The only remaining asset is the debtor book balances of £323,590.69. It is not possible to determine exactly how much of the outstanding ledger balances will be collectable and what costs will be associated with this collection process. However, I have minimised the risk to the balance of funds in hand by agreeing a percentage of recoveries received as a fee with my legal agents. It is hoped that we can conclude the collection of the debtors ledger within the first six months of the Liquidation.

#### **5 OTHER RELEVANT INFORMATION**

In accordance with the administrators' proposals, approved by creditors, the joint administrators intend to file the Notice of move from administration to creditors' voluntary liquidation (Form 2.34B) with the Registrar of Companies. On registration of this Form, this will mark the start of the creditors' voluntary liquidation of the Company.

It is appropriate for the administrators' to seek discharge as administrators by resolution of the creditors pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986. The following documents are enclosed.

- a) Formal Notice of conduct of business by correspondence (Form 2 25B) in accordance with paragraph 58 of Schedule B1 to the Insolvency Act 1986 **Please note that Form 2.25B should be returned no later than 27th May 2011** Form 2 25B contains the following three resolutions

- 1 Formal Resolution regarding the Joint Administrators' discharge
- 2 Formal Resolution of the Joint Administrators remuneration for the period subsequent to 16th July 2010
- 3 Formal Resolution of the Joint Administrators outlays for the period to close

- b) Formal Notice of move from administration to Creditors Voluntary Liquidation (Form 2 34B) covered by the Administrators Progress Report to Companies House (Form 2 24B) No action is required from you in respect of this form

## 6. JOINT ADMINISTRATORS REMUNERATION

As previously reported the joint administrators' remuneration is fixed by reference to the time properly given by the joint administrators (as administrators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Henderson Loggie for attending to matters arising in the administration and they are authorised to draw disbursements, including disbursements for services provided by their firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9), in accordance with their firm's policy, details of which accompanied the Statement of Proposals of the Joint Administrators for Achieving the Purpose of the Administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2 33 of the Insolvency Rules 1986 The relevant resolutions were approved at the initial meeting of creditors held on 3rd August 2010

Total remuneration drawn in accordance with the above approval amounts to £85,465 50 Total time spent on this assignment amounts to 1,165 65 hours at an average composite rate of £147 84 per hour resulting in total time costs to date of £172,328 75 The following further information as regards time costs and expenses is set out at Appendix 1

- Narrative summary of time costs incurred and summary by staff grade and work activity
- Disbursements defined as category 2 in Statement of Insolvency Practice 9

## 7. CONCLUSION

It is now my intention, as detailed above to bring the administration process to a close and commence the winding up of the company by means of a creditors voluntary liquidation as outlined in my proposals dated 19th July 2010. The Liquidation process will allow me to adjudicate upon and agree claims of unsecured creditors.

Whilst Liquidator, I will continue in attempts to ingather remaining monies from the debtors ledger. I will revert back to you in due course in order to advise further with regard to this matter.

Yours faithfully



Claire L Middlebrook  
*Joint Administrator*

The affairs, business and property of the Company are managed by the joint administrators who act as the Company's agents and without personal liability.

Enc

- 1) Receipts and Payments account for the periods 10 December 2010 to 3 May 2011 and 10 June to 3 May 2011,
- 2) Notice of Business by correspondence including resolutions (Form 2 25B),
- 3) Notice of move from administration to creditors voluntary liquidation (Form 2 34B covered by Form 2 24B)
- 4) SIP 9 Analysis of time spent to date by the Joint Administrator and staff

**Parity Training Limited**  
**(In Administration)**  
**Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 10/12/2010 To 03/05/2011	From 10/06/2010 To 03/05/2011
<b>ASSET REALISATIONS</b>		
Furniture & Equipment	20 00	35,780 66
Book Debts	8,664 14	408,200 05
Licence of Course Material	8,000 00	8,000 00
Cash at Bank	NIL	20,893 83
	<u>16,684 14</u>	<u>472,874 54</u>
<b>MISCELLANEOUS INCOME</b>		
Bank Interest Gross	264 81	634 51
Delegate List	NIL	1,000 00
Non Domestic Rates Refund	8,187 20	21,221 69
Hotel Deposit Refund	NIL	3,165 30
	<u>8,452 01</u>	<u>26,021 50</u>
<b>COST OF REALISATIONS</b>		
Valuation Fees Intellectual Property	NIL	495 00
Auctioneers Fees and Commission	2 00	6,795 80
Insurance	(628 47)	503 76
Locksmith	NIL	155 00
	<u>626 47</u>	<u>(7,949 56)</u>
<b>ADMINISTRATION EXPENSES</b>		
Sub-Contractor	NIL	325 00
Bordereau	NIL	350 00
Employment Tribunal - Settlement	1,500 00	1,500 00
Office Holders Fees	NIL	85,465 50
Court Fees	NIL	55 15
Search Fees	NIL	18 00
Legal Fees	NIL	10,888 50
Server Rental and Hosting	2,625 00	4,625 00
Funds held on Trust	NIL	21,377 10
Stationery & Postage	155 91	311 82
Software Licence Fees	NIL	850 00
Statutory Advertising	NIL	1,191 33
Insurance	628 47	NIL
Bank Charges	129 73	540 39
Travel Expenses	19 26	6,474 09
Sundry Expenses	57 20	1,848 70
	<u>(5,115 57)</u>	<u>(135,820 58)</u>
<b>PREFERENTIAL CREDITORS</b>		
Employee Arrears/Hol Pay	45,102 80	45,102 80
	<u>(45,102 80)</u>	<u>(45,102 80)</u>
	<u><u>(24,455.75)</u></u>	<u><u>310,023.10</u></u>
<b>REPRESENTED BY</b>		
Professional Firms Clients A/C		298,578 57
Vat Control Account		11,474 26
Outlays A/C		(29 73)
		<u>310,023.10</u>

## Rule 2.48

## Notice of conduct of business by correspondence

Name of Company Parity Training Limited	Company number 00855309
In the High Court of Justice, Chancery Division, Birmingham District Division (full name of court)	Court case number 8270 of 2010

(a) Insert full name(s)  
and address(es) of  
administrator(s)

Notice is hereby given by (a)  
Claire Louise Middlebrook  
Henderson Loggie  
34 Melville Street  
Edinburgh  
EH3 7HA

Graeme Cameron Smith  
Henderson Loggie  
34 Melville Street  
Edinburgh  
EH3 7HA

(b) Insert full name and  
address of registered  
office of the company

to the creditors of (b) Parity Training Limited  
3rd Floor  
120 Moorgate  
London  
EC2M 6UR

(c) Insert number of  
resolutions enclosed

that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed are (c) 3  
resolutions for your consideration Please indicate below whether you are in favour or against each  
resolution

(d) Insert address to  
which form is to be  
delivered

This form must be received at (d)  
Henderson Loggie  
34 Melville Street  
Edinburgh, EH3 7HA

(e) Insert closing date

by 12 00 hours on (e) 27th May 2011 in order to be  
counted It must be accompanied by details in writing of your claim Failure to do so  
will lead to your vote(s) being disregarded

Repeat as necessary for  
the number of resolutions  
attached

Resolution (1) Per sheet attached  
Resolution (2) Per sheet attached  
Resolution (3) Per sheet attached

I am \*in Favour / Against  
I am \*in Favour / Against  
I am \*in Favour / Against

\*Delete as appropriate

### TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor

Signature of creditor

(If signing on behalf of creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please  
contact me/us at the address above

Signed



Joint / Administrator(s)

Dated

5 May 2011



**PARITY TRAINING LIMITED – IN ADMINISTRATION**  
**Company Number: 00855309**

Claire Louise Middlebrook, ACA and Graeme Cameron Smith, CA were appointed joint administrators on 10th June 2010

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

**Resolution**

**To accompany Notice of conduct of business by correspondence (Form 2 25B)**

(Pursuant to Paragraph 58 of Schedule B1 to the Insolvency Act 1986 and Rule 2 48 of The Insolvency Rules 1986)

**In connection with**

**Vacation from office: discharge from liability**

- 1 "That the joint administrators be and they are hereby discharged from liability in respect of any actions of theirs as administrators, pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, with effect from the date their appointment as joint administrators ceases to have effect<sup>1</sup> "

**Joint Administrators' Remuneration and Outlays**

- 2 "That I/We hereby approve the balance of the Joint Administrators remuneration for the whole period of the administration being £86,863 25"
- 3 " That I/We hereby approve the Joint Administrators outlays defined as category 2 outlays in Statement of Insolvency Practice 9 in the sum of £29 73

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<sup>1</sup> The date that the Notice of end of administration (Form 2 32 B) is endorsed with the date of filing by the court, or the date specified on the Notice of automatic end of administration (Form 2 30 B) or the date specified on the Notice of court order ending administration (Form 2 33 B) or the date that the Notice of move from administration to creditors' voluntary liquidation (Form 2 34 B), or Notice of move from administration to dissolution (Form 2 35 B), is registered by The Registrar of Companies