

## 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

01242854

Name of Company

Computeach International Limited

~~At~~ We

James Patrick Nicholas Martin, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE

Mark Newman, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE

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 07/07/2015 to 06/07/2016

Signed



Date

21 July 2016

CCW Recovery Solutions  
4 Mount Ephraim Road  
Tunbridge Wells  
Kent  
TN1 1EE

Ref COM00002/JPNM/MN/CP/LW/JB

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#184

**Computeach International Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 07/07/2015 To 06/07/2016
	<b>ASSET REALISATIONS</b>	
	Motor Vehicles	7 94
	Book Debts	22,390 59
156,547 00	Cash at Bank	159,506 61
	Bank Interest Gross	50 57
		<u>181,955 71</u>
	<b>COST OF REALISATIONS</b>	
	Specific Bond	210 00
	Preparation of S of A	11,500 00
	Joint Liquidators' fees	48,450 00
	Category 1 disbursements	178 21
	Category 2 disbursements	23 33
	Storage Costs	166 00
	Re-Direction of Mail	480 00
	Statutory Advertising	208 50
	Companies House	200 00
		<u>(61,416 04)</u>
	<b>UNSECURED CREDITORS</b>	
(8,062 00)	Trade & Expense Creditors	NIL
(871,731 00)	HMRC - APN including interest,	NIL
(1,166 00)	HMRC - VAT	NIL
		<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(10,400 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(734,812.00)</u>		<u><u>120,539.67</u></u>
	<b>REPRESENTED BY</b>	
	Vat Receivable	12,147 22
	Bank 1 Current - Barclays	108,392 45
		<u><u>120,539 67</u></u>



James Patrick Nicholas Martin  
Joint Liquidator

CCW Recovery Solutions

**Computeach International Limited (in Liquidation)  
("the Company")**

**Joint Liquidators' Annual Progress Report to Members and Creditors for  
the year ending 6 July 2016**

**Statutory Information**

Company Name	Computeach International Limited
Registered Number	01242854
Registered Office	Black Country House, Rounds Green Road, Oldbury, B69 2DG
Former Registered Offices	PO BOX 51, University House, Jews Lane, West Midlands, DY3 2AG  University House, Jews Lane, West Midlands, DY3 2AG
Joint Liquidators	James Patrick Nicholas Martin and Mark Newman
Liquidators' Addresses	Black Country House, Rounds Green Road, Oldbury, B69 2DG  4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Date of Appointment	7 July 2015

**Period of the Report**

This report covers the period from 7 July 2015, the date on which the Liquidation of the Company commenced, to 6 July 2016

**Receipts and Payments Account**

Our receipts and payments account for the period 7 July 2015 to 6 July 2016 is attached at Appendix I

We would provide additional comments as follows regarding the receipts and payments relating to the period which this report covers

**Receipts**

**Cash at bank**

A credit balance of £159,506 61 was held in the Company's former bank account, which was duly remitted to the Liquidators

This account was kept open for credits during the first six months of the liquidation so that debtor receipts could be collected

**Book debts**

The director's Statement of Affairs did not disclose any outstanding book debts, however, following the Liquidators' appointment a large number of historic debts due from former students continued to be paid to the Company. In this regard a total of £22,390 59 has been recovered during the reporting period

**Bank Interest**

An interest bearing bank account was used to maximise realisations and £50 57 was received in the reporting period

## **Payments**

### **Statement of Affairs Fee**

At the initial meeting of creditors held on 7 July 2015 the following resolution was passed

*"That the costs of CCW Recovery Solutions in connection with convening the meetings of shareholders and creditors, and assisting the director with the preparation of his report and statement of affairs, agreed by the director in the sum of £11,500 plus VAT and disbursements, be approved and paid as an expense of the Liquidation from the first available assets "*

We confirm that these fees were paid in full following our appointment and are shown on the enclosed receipts and payments account

### **Joint Liquidators' Fees**

At the initial meeting of creditors held on 7 July 2015, the following resolution was passed in relation to the Joint Liquidators' on-going fees

*"That the Joint Liquidators' fees will be charged by reference to the time properly spent by the Joint Liquidators and their staff in dealing with the matters relating to the Liquidation and they are permitted to charge category 2 disbursements The Joint Liquidators' time will be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken Fees may be drawn on account from time to time "*

Our time costs for the period to which this report relates, being 7 July 2015 to 6 July 2016 amount to £50,247 In the period to which this report relates, we have drawn fees of £48,450 plus VAT

In the period from 7 July 2016 to the date of writing this report our time costs amount to £1,029 plus VAT No fees have been drawn since the anniversary date

A schedule of our time costs incurred for the period to which this report relates, being 7 July 2015 to 6 July 2016, is enclosed as Appendix II

A sheet setting out charge-out rates and disbursements applicable at the date of this report is attached, together with details of how to obtain guides to insolvency practitioners' fees and best practice, as well as our complaints procedure

Should you require hard copies of any of the electronic documents referred to, please contact this office

A description of the work undertaken in the Liquidation is as follows

- 1 **Administration and Planning**
  - Preparing documentation required
  - Dealing with all routine correspondence
  - Maintaining physical case files and electronic case details on IPS
  - Case bordereau
- 2 **Statutory Matters**
  - Preparing the documentation and dealing with the formalities of appointment
  - Statutory notifications and advertising
  - Preparing reports to members and creditors
- 3 **Case Accounting**
  - Maintaining and managing the Liquidators' cashbook and bank account

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- Ensuring statutory lodgements and tax lodgement obligations are met
- 4     Strategy/Case Review
- Case planning
  - Periodic case reviews
- 5     Tax & VAT
- Dealing with HM Revenue & Customs correspondence
  - Submission of Tax & VAT forms to HM Revenue & Customs for the Liquidation period
- 7     Investigations
- Reviewing and storage of books and records
  - Preparing a return pursuant to the Company Directors Disqualification Act
- 8     Realisation of Assets
- Liaising with the Bank regarding the transfer of the balance
  - Liaising with the Bank regarding keeping the account open
  - Chasing debtors for payment
  - Corresponding with the director, debtors and their debt collection agencies regarding ongoing debtor balances
- 9     Creditors (incorporating HM Revenue & Customs and unsecured creditors)
- Dealing with creditor correspondence and telephone conversations
  - Preparing reports to creditors
  - Maintaining creditor information on IPS
  - Reviewing the unsecured creditors' claims
  - Correspondence with HMRC regarding the APN

### Joint Liquidators' Disbursements

Our total disbursements to the date of this report amount to £1,466 04 plus VAT. The following disbursements have been paid in full:

Category 1 disbursements –	Specific Bond	£210 00
	Postage	£11 98
	Travel	£138 03
	Creditor Gateway	£10 00
	Postage	£18 20
	Storage Costs	£166 00
	Redirection of mail	£480 00
	Statutory Advertising	£208 50
	Companies House	<u>£200 00</u>
		£1,442 71

Category 2 disbursements –	Mileage	£8 33
	Companies House	<u>£15 00</u>
		£23 33

There are no unpaid disbursements at the date of this report.

The following agents have been utilised in the reporting period:

<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>
Goodman Nash Limited	investigation	27.5% plus VAT of net realisations

The choice of professionals was based upon our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our

## CCW Recovery Solutions

fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

### **Assets still to be realised**

#### **Book debts**

Book debts continue to be collected at a steady rate. As they were previously written off in the Company's books and records and therefore excluded from the Statement of Affairs, it is difficult to estimate future recoveries.

#### **Business rates refund**

On 25 May 2016, Goodman Nash Limited were instructed to undertake an historic business rates audit for the Company's former trading property at Deepdale Lane, Dudley. The audit review will investigate whether correct charging has occurred, whether errors have been made and the availability of exemptions and reliefs. Should a refund be available to the Company, Goodman Nash Limited will be paid a fee of 27.5% plus VAT of the total savings net of any arrears. No fees will be payable where no rates savings have been achieved.

It can take up to 90 days to receive a response from the Valuations Office so creditors will be updated as this matter progresses.

### **Liabilities**

#### **Secured Creditors**

An examination of the Company's charges register held by the Registrar of Companies showed that the Company has no current charges over its assets.

#### **Preferential Creditors**

There are no preferential creditors.

#### **Crown Creditors**

##### **VAT**

The statement of affairs estimated that £1,166.63 of VAT was outstanding at the date of liquidation. HMRC has since submitted a claim for £2,059.63.

##### **National Insurance Contributions ("NIC")**

HMRC has submitted a claim for £678.70 in respect of outstanding NIC for the period 6 December 2014 to 5 January 2015. There was no corresponding estimate in the statement of affairs.

##### **Employer Funded Retirement Benefit Scheme ("EFRB")**

As previously advised, in January 2015 the Company received an Accelerated Payment Notice ("APN") for £789,600 from HMRC which it could not deal with, but nor did it accept because it related to an EFRB scheme which its former advisers were adamant would eventually prove to be properly constructed. For the purpose of the statement of affairs, the director included a contingent liability of £871,731.34 for the APN including interest.

On 1 September 2015 HMRC issued an interim proof of debt comprising a liability of £789,600 under the APN and a stood over Regulation 80 Determination Tax of £1,790,320.87.

## CCW Recovery Solutions

This claim includes amounts both for a Corporation Tax assessment and a PAYE/NIC assessment in relation to the same EFRBS contribution. This seems somewhat awry as we expect any HMRC claim should be one or the other, but could not be both.

The situation is complicated by the ongoing judicial reviews in relation to certain schemes which have similarities with the one entered into by the Company, hence it is still unclear what claim, if any, HMRC will have in the estate. We do not expect there to be a distribution to creditors until this matter has been determined elsewhere.

### **Unsecured Creditors**

The director's Statement of Affairs listed 18 unsecured creditors with an estimated total liability of £8,061.85. We have received claims from two unsecured creditors totalling £715.33.

### **Prescribed Part**

The legislation requires that if a Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by floating charge such that the prescribed part provisions do not apply.

### **Dividend Prospects**

It is anticipated that funds will be available to allow a dividend to the non-preferential unsecured creditors. The timing and quantum of this will depend upon the extent of HMRC's claim, if any, in respect of the EFRBS.

### **Investigation**

We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries 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 our appointment, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our 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. We confirm that our report has been submitted.

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

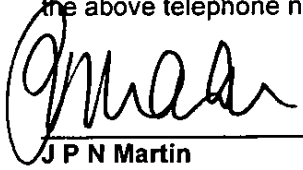
An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidators' fees and the amount of any proposed expenses or expenses already incurred, 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 liquidation will remain open until HMRC's EFRBS claim has been established, book debt recoveries are concluded and the business rates refund has been investigated. We estimate that this will take approximately six months and then a dividend will be declared to all proving unsecured non-preferential creditors.

If creditors have any queries regarding the conduct of the liquidation, or if they want hard copies of any of the documents made available online, they should contact Leanne Wyld on the above telephone number.

  
J P N Martin  
Joint Liquidator

Dated 21 July 2016

James Patrick Nicholas Martin and Mark Newman are licensed to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association

## **Appendix I**

### **Joint Liquidators' Abstract of Receipts and Payments**

**Computeach International Limited**  
**(In Liquidation)**

**JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 07/07/2015 To 06/07/2016 £	From 07/07/2015 To 06/07/2016 £
<b>RECEIPTS</b>			
Motor Vehicles		7 94	7 94
Book Debts		22,390 59	22,390 59
Cash at Bank	156,547 00	159,506 61	159,506 61
Bank Interest Gross		50 57	50 57
		<u>181,955 71</u>	<u>181,955 71</u>
<b>PAYMENTS</b>			
Specific Bond		210 00	210 00
Preparation of S of A		11,500 00	11,500 00
Joint Liquidators' fees		48,450 00	48,450 00
Category 1 disbursements		178 21	178 21
Category 2 disbursements		23 33	23 33
Storage Costs		166 00	166 00
Re-Direction of Mail		480 00	480 00
Statutory Advertising		208 50	208 50
Companies House		200 00	200 00
Trade & Expense Creditors	(8,062 00)	0 00	0 00
HMRC - APN including interest,	(871,731 00)	0 00	0 00
HMRC - VAT	(1,166 00)	0 00	0 00
Ordinary Shareholders	(10,400 00)	0 00	0 00
		<u>61,416 04</u>	<u>61,416 04</u>
Net Receipts/(Payments)		<u>120,539 67</u>	<u>120,539 67</u>
<b>MADE UP AS FOLLOWS</b>			
Bank 1 Current - Barclays		108,392 45	108,392 45
VAT Receivable / (Payable)		12,147 22	12,147 22
		<u>120,539 67</u>	<u>120,539 67</u>

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James Patrick Nicholas Martin  
Joint Liquidator

# Recovery Solutions SIP9 Report

Client COM00002 - Computeach International Limited

(Include Tasks, All WIP, All Disbursements)

Period Start 07/07/2015  
Period End 06/07/2016

Hours	Partner	Manager	Other Senior Professionals	Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration and Planning</b>	63.00	10.25	176.90	1.80	251.95	40,367.00	160.22
Case General Admin	9.00	1.45	158.45	0.20	169.10	20,404.50	120.67
Tax and VAT	42.00	0.50	0.95	0.00	43.45	12,794.50	294.46
Statutory Matters	0.00	1.20	2.80	0.00	4.00	530.00	132.50
Case Accounting	0.00	3.85	9.95	1.60	15.40	1,948.50	126.53
Strategy/Case Review	12.00	3.25	4.75	0.00	20.00	4,689.50	234.48
<b>Investigations</b>	0.00	0.00	10.10	0.00	10.10	1,111.00	110.00
SIP2/CDDA	0.00	0.00	10.10	0.00	10.10	1,111.00	110.00
<b>Realisation of Assets</b>	10.00	3.75	42.00	0.00	55.75	8,320.00	149.24
Book Debts	10.00	3.55	42.00	0.00	55.55	8,284.00	149.13
F&E/P&M	0.00	0.20	0.00	0.00	0.20	36.00	180.00
<b>Trading</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Creditors</b>	0.00	0.05	3.40	0.00	3.45	386.50	112.03
Unsecured	0.00	0.05	3.40	0.00	3.45	386.50	112.03
<b>Case Specific Matters</b>	0.00	0.25	0.00	0.00	0.25	62.50	250.00
Case Specific 1	0.00	0.25	0.00	0.00	0.25	62.50	250.00
<b>Time and Cost Totals</b>	73.00	14.30	232.40	1.80	321.50	50,247.00	156.29
Total Hours					321.50		
Time Cost (£)	21,900.00	2,707.50	25,531.50	108.00		50,247.00	
Average Hourly Rate (£)	300.00	189.34	109.86	60.00			156.29

## **Appendix III**

### **CCW Recovery Solutions' charge-out rates and disbursements**

## **CCW RECOVERY SOLUTIONS**

### **CHARGE-OUT RATES AND DISBURSEMENTS**

The table below sets out the charge-out rates utilised by CCW Recovery Solutions for charging staff time -

Partner	£300 per hour
Director	£250 per hour
Senior Manager	£210 per hour
Manager	£180 per hour
Assistant Manager	£165 per hour
Insolvency Senior	£150 per hour
Insolvency Semi-Senior	£110 per hour
Insolvency Cashier	£110 per hour
Trainee/support staff	£60 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case, but this information will be included in periodic statutory reports to creditors. The above rates are effective from 1 April 2015. Time is charged in six minute units.

Category 1 disbursements will be charged at the actual cost at which they are incurred, for example statutory advertising and records storage.

Category 2 disbursements, that is those which are paid to CCW Recovery Solutions, will be on the following basis, once the appropriate approval has been obtained -

Photocopying	Re-charged at 10p per sheet
Internal room hire	Charged at £50 per meeting held at CCW offices
Company searches	£15 per corporate case
Mileage	Charged at 45 pence per mile

### **GUIDES TO FEES AND BEST PRACTICE**

Further information relating to insolvency practitioners' fees and their required practice published by the Association of Business Recovery Professionals can be found on the Insolvency Practitioners Association website [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk)

Hover over Regulation and Guidance located to the right of the option ribbon on the home page and select "Creditors Guides to Fees". This information is also relevant to members of companies in both solvent liquidations and insolvency procedures.

The option of Regulation and Guidance will display the following information, and the relevant guide in this case is **Liquidators Fees (October 2015)** under **Guides for England & Wales**.

The Guides form appendices to Statement of Insolvency Practice 9, which sets out required practice for insolvency practitioners. The full text of SIP9 can be found in the Regulation and Guidance area of the

Insolvency Practitioners Association website by clicking onto the link to SIPs on the left hand side of the ribbon then select England and Wales and SIP9

### **Complaints**

At CCWRS we always strive to provide a professional and efficient service. However, we recognise that disputes may arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact us at the address with which you usually correspond.

If you consider that we have not dealt with your comments or complaint appropriately, then put details of your concerns in writing to our complaints officer, Mark Newman, at 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at [www.gov.uk/complain-about-insolvency-practitioner](http://www.gov.uk/complain-about-insolvency-practitioner), or you can email [insolvency.enquiryline@insolvency.gsi.gov.uk](mailto:insolvency.enquiryline@insolvency.gsi.gov.uk), or you may phone 0300 678 0015 - calls are charged at up to 12p per minute from a land line, or for mobiles, between 3p and 45p per minute if you're calling from the UK.

### **Professional Indemnity Insurance**

In order to comply with the Provision of Services Regulations, details of the practice's professional indemnity insurance can be reviewed on our website '[www.croweclarkwhitehill.co.uk](http://www.croweclarkwhitehill.co.uk)' under the heading 'disclosure' on the bottom left of the home page. This professional indemnity insurance provides worldwide coverage, excluding professional business carried out from an office in the United States of America or Canada, and any action for a claim brought in any court in the United States of America or Canada.

### **General**

All partners acting as insolvency practitioners are licensed to do so in the UK by the Insolvency Practitioners Association. CCW Recovery Solutions is a trading style of Crowe Clark Whitehill LLP, a Limited Liability Partnership registered in England and Wales with registered number OC 307043, and whose VAT registration number is GB/974 8680 58. The registered office is at St Bride's House, 10 Salisbury Square, London EC4Y 8EH.

1 February 2016