

# 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

02907305

Name of Company

Icondeal Limited

I / We

Gerald Maurice Krasner, 4th Floor, Cathedral Buildings, Dean Street, Newcastle upon Tyne, NE1 1PG

Gillian Margaret Sayburn, 4th Floor, Cathedral Buildings, Dean Street, Newcastle upon Tyne, NE1 1PG

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 17/02/2016 to 16/02/2017

Signed

Date

4/4/17

Begbies Traynor (Central) LLP  
4th Floor  
Cathedral Buildings  
Dean Street  
Newcastle upon Tyne  
NE1 1PG

Ref: IC026CVL/GMK/GMS/AMD/GXW

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# **Icondeal Limited**

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

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### **Progress report**

**Period: 17 February 2016 to 16 February 2017**

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### **Contents**

1. Interpretation
2. Company information
3. Details of appointment of Liquidators
4. Progress during the period
5. Estimated outcome for creditors
6. Liquidators' remuneration and disbursements
7. Liquidators' expenses
8. Assets that remain to be realised and work that remains to be done
9. Other relevant information
10. Creditors' rights
11. Conclusion

### **Appendices**

1. Liquidators' account of receipts and payments for the whole period of the Liquidation
2. Liquidators' time costs and disbursements
3. Statement of Liquidators' expenses

### **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.

## **1. INTERPRETATION**

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Icondeal Limited (In Creditors' Voluntary Liquidation)
"the Liquidation"	The appointment of liquidators on 17 February 2016
"the Liquidators", "we", "our" and "us"	Gerald Maurice Krasner and Gillian Margaret Sayburn of Begbies Traynor (Central) LLP, 4th Floor, Cathedral Buildings, Dean Street, Newcastle upon Tyne, NE1 1PG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England & Wales) Rules 2016
"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**

Company registered number:	02907305
Company registered office:	Begbies Traynor (Central) LLP, Cathedral Buildings, Dean Street, Newcastle upon Tyne, NE1 1PG
Former trading address:	15 Liverpool Road, London, N1 0RW

## **3. DETAILS OF APPOINTMENT OF LIQUIDATORS**

Date winding up commenced:	17 February 2016
Date of Liquidators' appointment:	17 February 2016
Changes in Liquidator (if any):	None

## 4. PROGRESS DURING THE PERIOD

### **Receipts and Payments**

Attached at Appendix 1 is our abstract of receipts and payments for the period from 17 February 2016 to 16 February 2017.

### **RECEIPTS**

#### **Rates Refund**

The Liquidators have received a rates refund of £175.

#### **Director's Contribution**

The Director contributed £6,000 to the costs of the Liquidation.

#### **Bank Interest Gross**

Bank interest of £0.05 has accrued during the period of the Liquidation.

### **PAYMENTS**

#### **Liquidators' Bond**

Marsh Limited was instructed to provide the Liquidators' fiduciary bond. Costs of £20 have been incurred and discharged.

#### **Statement of Affairs Fee**

Begbies Traynor (Central) LLP's fee of £5,000 for assisting the Director with convening the meetings of members and creditors and preparing a Statement of Affairs was approved by creditors at the meeting on 17 February 2016. £4,915 has been discharged and the balance will be discharged before the case is closed.

#### **Travel Costs**

The Liquidators have travelled to meetings regarding the Company by train. Costs of £281 have been incurred and discharged with Virgin Rail.

#### **Statutory Advertising**

Courts Advertising Limited has placed statutory notices in the London Gazette. Costs of £338 have been incurred and discharged.

### **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 we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we 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.

#### **General case administration and planning**

During the reporting period we have undertaken reviews of the case files and filed relevant documents.

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

The Liquidators have produced this progress report for creditors, issued all relevant notices of our appointment, undertaken bank reconciliations, cashiering and reviewed the bond.

#### Investigations

The Liquidators have completed an initial investigation into the Company's business and trade.

#### Realisation of assets

The Liquidators have liaised with the council regarding the rates refund.

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

The Liquidators have liaised with the Company's creditors as required.

#### Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

The Liquidators have filed relevant tax returns.

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the Director's Statement of Affairs. On the basis of realisations to date we estimate an outcome for each class of the Company's creditors as follows:

#### **Secured creditor**

There are no known secured creditors.

#### **Preferential creditors**

There are no known preferential creditors.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the Liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A Liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the Liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the Liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

#### **Unsecured creditors**

Unsecured creditors were estimated at £58,480 and we have received claims in the total sum of £52,520.

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

## 6. LIQUIDATORS' REMUNERATION AND DISBURSEMENTS

Our remuneration has not been fixed.

Our time costs for the period from 17 February 2016 to 16 February 2017 amount to £3,364 which represents 22.4 hours at an average rate of £150.18 per hour.

No Category 2 Disbursements have been drawn.

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

- ☐ Time Costs Analysis for the period 17 February 2016 to 16 February 2017
- ☐ Begbies Traynor (Central) LLP's charging policy

### **Time Costs Analysis**

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

### **Work undertaken prior to appointment**

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with summoning, advertising and holding the creditors' meeting and assisting the Director in preparing the Statement of Affairs were approved by the creditors on 17 February 2016.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' 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 our office and we will arrange to send you a copy.

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. [A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

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

No assets remain to be realised.

**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 Liquidators will continue to keep the matter under review and will request clearance to close the matter from HMRC.

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

The Insolvency Act and Rules require the Liquidators to (1) produce progress reports (2) produce a final report (3) file information with the Registrar of Companies (4) ensure that the case is adequately bonded. These actions will be completed by the Liquidators for the remainder of their appointment.

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

The Liquidators will liaise with the Company's creditors as required.

*Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel*

The Liquidators will seek a decision of creditors regarding their remuneration. They will also deal with any tax matters that arise.

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

The Liquidators anticipate this further work costing £1,500.

**Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows:

- Storage of Books & Records - £17.60

## 9. OTHER RELEVANT INFORMATION

**Investigations and reporting on directors conduct**

You may be aware that a Liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a Liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

**Investigations carried out to date**

We have undertaken an initial assessment of the manner in which the business was conducted prior to the Liquidation of the Company and potential recoveries for the estate in this respect. No matters requiring further investigation were identified.

**Connected party transactions**

We have not been made aware of any sales of the Company's assets to connected parties.

## 10. CREDITORS' RIGHTS

**Right to request further information**

Pursuant to Rule 18.9 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 we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

**Right to make an application to court**

Pursuant to Rule 18.34 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.

## 11. CONCLUSION

We will report again at the conclusion of the Liquidation.



Gerald M Krasner  
Joint Liquidator

Dated 4 April 2017



# LIQUIDATORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 17 February 2016 to 16 February 2017

**Icondeal Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

**To 16/02/2017**

<b>S of A £</b>		<b>£</b>	<b>£</b>
	<b>ASSET REALISATIONS</b>		
	Rates Refund	175.41	
	Directors' Contribution	6,000.00	
	Bank Interest Gross	<u>0.05</u>	
			6,175.46
	<b>COST OF REALISATIONS</b>		
	Liquidators' Bond	20.00	
	Statement of Affairs Fee	4,915.40	
	Travel Costs	280.60	
	Statutory Advertising	<u>338.40</u>	
			(5,554.40)
	<b>UNSECURED CREDITORS</b>		
(31 480 90)	Trade Creditors	NIL	
(12,000 00)	HMRC re: PAYE	NIL	
(5,000 00)	HMRC re: VAT	NIL	
(10,000 00)	Director's Loan Account	<u>NIL</u>	
			NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	<u>NIL</u>	
			NIL
<u>(58,580.90)</u>			<u>621.06</u>
	<b>REPRESENTED BY</b>		
	Bank 2 Current		564.94
	Vat Control Account		56.12
			<u>621.06</u>

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## LIQUIDATORS' TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 17 February 2016 to 16 February 2017.

## **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. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. 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):

- Car mileage is charged at the rate of 45 pence per mile.

*Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

<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 Newcastle upon Tyne office as at the date of this report are as follows:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 May 2011 – until further notice</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 – 110

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 Icondeal Limited - Creditors Voluntary Liquidation - 841C026 CVL : Time Costs Analysis From 17/02/2016 To 16/02/2017

Staff Grade	Case planning	Director	Smr Mngt	Ingtr	Asst Ingtr	Smr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Administration	3.5				0.7		2.2		6.4	1,572.00	244.83
	Total for General Case Administration and Planning	3.5				0.7		2.2	1.8	8.2	1,880.00	204.08
Compliance with the Insolvency Act, Rules and best practice	Appointment							0.1		0.1	11.00	110.00
	Banking and Bonding							0.4	7.0	8.1	705.50	87.10
	Cases Closure											0.00
	Statutory reporting and statement of affairs											0.00
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice	0.7						0.5	7.0	8.2	716.50	87.36
	CCDA and investigations	0.4						1.6		2.0	334.00	167.00
	Total for investigations	0.4						1.6		2.0	334.00	167.00
Realisation of assets	Debt collection					0.2				0.2	35.00	175.00
	Property, business and asset sales											0.00
	Retention of Third party assets											0.00
	Total for Realisation of assets:					0.2				0.2	35.00	175.00
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others				1.9					1.9	389.50	205.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:				1.9					1.9	389.50	205.00
Other matters which includes meetings, tax, litigation, pensions and travel	Meetings											0.00
	Other							1.9		1.9	209.00	110.00
	Tax											0.00
	Litigation											0.00
	Total for Other matters:							1.9		1.9	209.00	110.00
	Total hours by staff grade:	4.2			1.9	0.9		6.2	8.8	22.4		
	Total time cost by staff grade:	1,449.00			389.50	187.50		682.00	628.00		3,384.00	
	Average hourly rate £:	345.00	0.00	0.00	205.00	175.00	0.00	110.00	80.00			160.18
	Total fees drawn to date £:										0.00	

# STATEMENT OF LIQUIDATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities <b>not</b> within the Begbies Traynor Group				
Liquidators' Bond	Marsh Limited	20.00	20.00	NIL
Travel Costs	Virgin Rail	280.60	280.60	NIL
Statutory Advertising	Courts Advertising Limited	338.40	338.40	NIL
Expenses incurred with entities within the Begbies Traynor Group ( <i>for further details see Begbies Traynor Charging Policy</i> )				
Statement of Affairs Fee	Begbies Traynor (Central) LLP	5,000.00	4,915.40	84.60