Rule 4 49C

Form 4 68

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

03204961

Name of Company

Lehmann Communications Plc

I / We

Christopher James Farrington, 1 Woodborough Road, Nottingham, NG1 3FG

Nicholas Guy Edwards, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

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 25/11/2015 to 24/11/2016

Signed ______________ Date 24/1/17

Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Ref LEHM00B/HPS/HCV/SF

WEDNESDAY

A5YTSQGG
A13 25/01/2017 #175
COMPANIES HOUSE

Software Supplied by Turnkey Computer Technology Limited Glasgow

Lehmann Communications Plc
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 25/11/2015 To 24/11/2016	From 25/11/2014 To 24/11/2016
		NIL	NIL
	REPRESENTED BY		
			NIL

Christopher James Farrington
Joint Liquidator

Deloitte.

Lehmann Communications Plc (in liquidation) ("the Company")

Registered Office: c/o Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ

Progress report to creditors and members for the 12 month period to 24 November 2016 pursuant to Section 104A of the Insolvency Act 1986 (as amended) ("the Act") and Rules 4.49B and 4.49C of the Insolvency Rules 1986 (as amended) ("the Rules").

Christopher Farrington and Nicholas Edwards ("the Joint Liquidators") were appointed Joint Liquidators of Lehmann Communications Plc by the general meeting of creditors on 25 November 2014 All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales

For the purposes of Section 231 of the Act the Joint Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation

24 January 2017

Key messages

Joint Liquidators of the Company

Christopher James Farrington

Nicholas Guy Edwards

Deloitte LLP

Four Brindley Place

Birmingham

B1 2HZ

Contact details

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Website

www deloitte com/uk/lehmanncom munication

Tel 0121 695 5761

	Commentary
Progress of the liquidation during the report period	• Investigations into the directors and shareholders of the Company continue • Dividend prospects from the Bankruptcy estate of Ronel Lehmann have been concluded
Costs	• The basis of our remuneration has been fixed by reference to time costs • During the reporting period we have incurred time costs of £12,956 90 • We have incurred time costs of £99,765 65 since the date of appointment • We have not drawn any fees • Further detail on our remuneration is on page 8
Outstanding matters	• Investigations into the directors and shareholders need to be finalised and depending on the outcome of this any appropriate recovery actions commenced
Dividend prospects	• Secured creditors – we are not aware of any debt being due to the secured creditor • Preferential creditors – we are not aware of any preferential creditors • Unsecured creditors – will not be paid in full, dividend prospects are currently unknown and will depend on future asset realisations

Progress of the liquidation

Progress of the liquidation
Summary

Progress of the liquidation and work done during the report period

Investigations and asset realisations

We have reviewed the information available to assess whether there are any matters that might lead to a recovery for the benefit of creditors, such as potential claims that may be brought against parties either connected to or who have had past dealings with the Company

This review and the additional actions we are undertaking are currently confidential Details of these investigations will be shared with the creditors when possible

As previously reported the director of the Company, Ronel Lehmann, was made bankrupt in October 2014 The assets within his estate have now been realised and a small dividend (approximately less than 4p in the £) is due to be paid to his creditors

The Statement of Affairs prepared prior to the Company entering liquidation indicated that funds of c £4k were owed to the Company from Mr Lehmann, any sums owed would be an unsecured claim in the bankruptcy estate Upon review of the documentation and consultation with Mr Lehmann there was a provable claim in the bankruptcy

In addition any formal claims made against Mr Lehmann in his capacity as Company director would be an unsecured claim in the bankruptcy It has not been possible to prove any such claim in the bankruptcy estate

Creditor correspondence

Adhoc queries received from various Company creditors have been dealt with by the liquidators staff

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature

- case management
- correspondence
- case reviews
- cashiering functions
- filing

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors

Case specific matters

The Company was de-registered for VAT and a nil corporation tax return has been prepared and filed

Estimated future realisations

Realisations will depend upon investigation work

Cost of the work done during the report period

Gateley LLP, solicitors have been instructed to assist with the review of potential claims in the liquidation

Details of the Liquidators' costs are provided on page 8

Receipts and Payment Account

No account has been prepared as there have been no receipts or payments during the period of the liquidation

Information for creditors

Information for creditors
Outcome

Secured creditors

Barclays Bank Plc provided security on 28 October 2011 by way of fixed and floating charges over the whole of the Company's assets. At the date of appointment no money was owed to the Bank, having been paid in full under a guarantee provided by a Shareholder

Preferential creditors

The Liquidators have not been made aware of any preferential claims against the Company, which is in line with the information provided in the Statement of Affairs which showed preferential creditors at nil

Prescribed Part

As there is no secured debt there is no Prescribed Part

Unsecured creditors

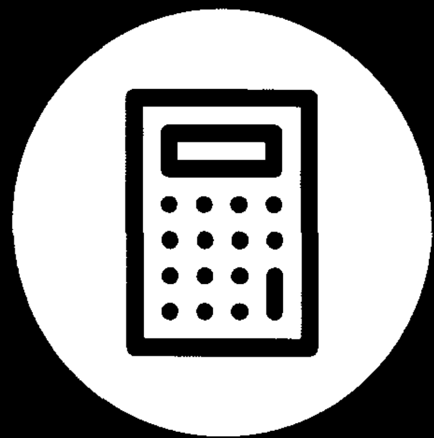
Dividend prospects are uncertain and will depend on asset realisations

Claims process

Unsecured creditors are invited to submit their claims to us by completing a proof of debt form which is available on the liquidation website and which should be sent to the address on page 1, marked for the attention of Holly Savage.

As the dividend prospects are currently unknown, we do not intend to undertake any work to agree any creditor claims received

Remuneration and disbursements



Remuneration and disbursements
Joint Liquidators' remuneration

Joint Liquidators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.co.uk/lehmanncommunications.

Should you require a paper copy, please send your request in writing to the Joint Liquidators at the address on the front of this report and this will be provided to you at no cost

Basis of remuneration

The basis of our remuneration was fixed by creditors at a creditors meeting held on 20 January 2015

Fees – work undertaken – time costs

Our time costs since appointment are £99,765.65 made up of 217 56 hours at an average charge out rate of £458 57 per hour across all grades of staff

Our time costs for the Period are £12,956 90 made up of 30 36 hours at an average charge out rate of £426 78 per hour across all grades of staff

To date we have not drawn any remuneration

A detailed breakdown of these time costs together with details of our charge rates are shown on the following pages Please note that time is charged in six minute increments.

Remuneration and disbursements - Joint Liquidators' time costs for the period 24 November 2014 to 24 November 2016

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	0 30	153 00	0 70	306 00	4 00	1,397 50	3 50	819 00	8 50	2,675 50	314 76
Case Management and Closure	0 90	625 50	6 70	3,347 00	3 00	1,249 00	26 95	8,428 25	12 16	2,667 00	49 71	16,316 75	328 24
Initial Actions	-	-	5 40	3,510 00	12 10	4,961 00	-	-	6 90	1,368 00	24 40	9,839 00	403 24
	1.40	973.00	12.40	7,010.00	15 80	6,516.00	30.95	9,825.75	23.59	5,039.40	84.14	29,364.15	348.99
Investigations													
Investigations	7 90	5,291 00	63 10	40,535 00	2 65	1,090 25	30 42	9,766 00	3 30	657 50	107 37	57,339 75	534 04
Reports on Directors' Conduct	3 00	1,980 00	2 80	1,820 00	4 30	1,763 00	-	-	-	-	10 10	5,563 00	550 79
	10.90	7,271.00	65.90	42,355.00	6.95	2,853 25	30.42	9,766.00	3.30	657.50	117.47	62,902 75	535.48
Creditors													
Shareholders	-	-	-	-	-	-	-	-	0 30	58 50	0 30	58 50	195 00
Unsecured	-	-	4 50	2,925 00	2 80	1,148 00	0 10	31 00	1 10	219 00	8 50	4,323 00	508 59
	-	-	4.50	2,925.00	2 80	1,148.00	0.10	31 00	1.40	277.50	8.80	4,381.50	497.90
Case Specific Matters													
VAT	-	-	-	-	-	-	1 50	465 00	-	-	1 50	465 00	310 00
	0.10	69.50	-	-	1.35	938.25	1 50	465.00	2.20	517.00	5.15	1,989.75	386.36
TOTAL HOURS & COST	12 90	8,668.50	84.30	53,062 50	26 90	11,455.50	62.97	20,087 75	30.49	6,491.40	217 56	99,765.65	458.57
AVERAGE RATE/HOUR PER GRADE		£ 671 98		£ 629.45		£ 425.86		£ 319.01		£ 212.90			
FEES DRAWN													

Remuneration and disbursements - Joint Liquidators' time costs for the period 25 November 2015 to 24 November 2016

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	0 20	103 00	-	-	1 20	436 00	2 10	472 50	3 50	1 011 50	289 00
Case Management and Closure	0 90	625 50	6 10	3 054 50	-	-	2 00	681 00	4 51	1,010 00	13 51	5,371 00	397 56
General Reporting	0 50	347 50	-	-	-	-	-	-	1 03	185 40	1 53	532 90	348 30
	1 40	973 00	6 30	3,157 50	-	-	3 20	1,117 00	7 64	1,667 90	18 54	6,915 40	373 00
Investigations													
Investigations	2 20	1 529 00	3 20	1,600 00	0 25	106 25	0 32	112 00	-	-	5 97	3,347 25	560 68
	2 20	1,529 00	3 20	1,600 00	0 25	106 25	0 32	112 00	-	-	5 97	3,347 25	560 68
Realisation of Assets													
Other Assets (e g Stock)	0 50	355 00	1 50	772 50	-	-	-	-	-	-	2 00	1,127 50	563 75
	0 50	355 00	1 50	772 50	-	-	-	-	-	-	2 00	1,127 50	563 75
Unsecured	-	-	-	-	-	-	-	-	0 20	42 00	0 20	42 00	210 00
	-	-	-	-	-	-	-	-	0 20	42 00	0 20	42 00	210 00
Case Specific Matters													
Litigation	0 10	69 50	-	-	-	-	-	-	-	-	0 10	69 50	695 00
Tax	-	-	-	-	1 35	938 25	-	-	2 20	517 00	3 55	1 455 25	409 93
	0 10	69 50	-	-	1 35	938 25	-	-	2 20	517 00	3 65	1,524 75	417 74
TOTAL HOURS & COST	4 20	2,926 50	11 00	5,530 00	1 60	1,044 50	3 52	1,229 00	10 04	2,226 90	30 36	12,956 90	426 78
AVERAGE RATE/HOUR PER GRADE		£ 696 79		£ 502 73		£ 652 81		£ 349 15		£ 221 80			

Charge out rates

The average charge - out rates applicable to this case are provided below

Restructuring Services charge out rates (£/hour)

Grade	From 1 Sept 2016
Partners & Directors	660 - 1,045
Assistant Directors	515 - 790
Managers	440 - 710
Assistant Managers	335 - 565
Assistants & Support	80 - 335

The above bands are specific to the Restructuring Services department partners and staff In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Financial Advisory or Deloitte Real Estate may be required on the case These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands

Charge out rates increased on 1 September 2016

Remuneration and disbursements

Detailed information

Disbursements

Category 1

These are payments made by us direct to third parties and for which no approval is required.

Category 2

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs Specific approval is required before these costs and expenses can to be drawn from the liquidation estate and was given by creditors on 20 January 2015

Details of disbursements incurred in the report period is provided below, these have not yet been recovered.

Category 1 disbursements

£ (net)	Incurred in Previous Period	Incurred in current period	Total - all unpaid
Storage	1,723	3,582	5,305
Advertising	254	-	254
Cash insurance	20	-	20
Postage/Couriers	173	-	173
Total expenses	**2,170**	**3,582**	**5,752**

Category 2 disbursements

£ (net)	Incurred in Previous Period	Incurred in current period	Total
Website set up	500	-	500

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report Such requests must be made within 21 days of receipt of this report, in accordance with Rule 4 49E of the Rules

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 4 131 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 4 131 of the Rules

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports