

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

03393219

Name of Company

Convergence Marketing Limited

~~I~~/ We

Freddy Khalastchi FCA FABRP, 2 Mountview Court, 310 Friern Barnet Lane, Whetstone, London, N20 0YZ

Jonathan David Bass FCCA MABRP, 2 Mountview Court 310 Friern Barnet Lane, Whetstone, London, N20 0YZ

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 05/03/2014 to 04/03/2015

Signed

Date

11 March 2015

Harris Lipman LLP
2 Mountview Court
310 Friern Barnet Lane
Whetstone
London
N20 0YZ

Ref C3395/FXK/JDB/COP

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13/03/2015

COMPANIES HOUSE

#182

Convergence Marketing Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 05/03/2014 To 04/03/2015	From 05/03/2013 To 04/03/2015
ASSET REALISATIONS			
700 00	Office Furniture & Equipment	NIL	NIL
10,443 10	Book Debts	NIL	4,302 00
11,673 18	Cash at Bank	NIL	18,030 96
Uncertain	Prepayments	NIL	416 10
584 76	Petty Cash	NIL	584 76
		<u>NIL</u>	<u>23,333 82</u>
COST OF REALISATIONS			
	Preparation of S of A	NIL	5,000 00
	Liquidators Fees	350 00	17,250 00
	Agents/Valuers Fees	NIL	500 00
	Accountancy Fees	NIL	250 00
	Statutory Advertising	NIL	222 75
		<u>(350 00)</u>	<u>(23,222 75)</u>
PREFERENTIAL CREDITORS			
(4,223 88)	Employees	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS			
(3,334 77)	Trade & Expense Creditors	NIL	NIL
(31,966 00)	Employees	NIL	NIL
(29,388 04)	HM Revenue and Customs - CT	NIL	NIL
(16,625 18)	HM Revenue and Customs - PAYE &	NIL	NIL
(9,738 14)	HM Revenue and Customs - VAT	NIL	NIL
(5,000 00)	Landlord	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(76,974.97)		<u>(350.00)</u>	<u>111.07</u>
REPRESENTED BY			
	VAT Receivable		70 00
	Coutts		41 07
			<u>111 07</u>

our ref
your ref
date
please reply to

FXK/JDB/COP/C3395

11 March 2015

Christine Page

**HARRIS
LIPMAN**

TO ALL MEMBERS AND CREDITORS

2 Sovereign Quay

Havannah Street

Cardiff CF10 5SF

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e-mail mail@harris-lipman.co.uk

website www.harris-lipman.co.uk

Dear Sirs

CONVERGENCE MARKETING LIMITED - IN LIQUIDATION

This is the Joint Liquidators' second annual progress report ("the report") for the year ended 4 March 2015

1. Statutory information

The company's registered name is Convergence Marketing Limited and it traded as Outbound Business To Business Telemarketing

The company was incorporated on 26 June 1997 under company number 03393219

The registered office of the company was formerly 6 Alexandra Terrace, Alexandra Road, Aldershot, Hampshire, GU11 3HU and was changed on 14 March 2013 to 2 Mountview Court, 310 Friern Barnet Lane, Whetstone, London, N20 0YZ for the purposes of the Liquidation

Jonathan David Bass FCCA MABRP and myself, of Harris Lipman LLP, 2 Mountview Court, 310 Friern Barnet Lane, Whetstone, London, N20 0YZ were appointed Joint Liquidators of the above-named company by Members and Creditors on 5 March 2013

There have been no changes of Liquidator in the period to which this report relates

2. Joint Liquidators' progress during the period of this report

During this period of our administration we have responded to the queries of creditors and noted creditor claims

As appropriate, we have liaised with the employees, the Redundancy Payments office and Employment Tribunals with regard to employee matters

Specific tasks such as the agreement of creditor claims, VAT and tax issues, cashing and statutory returns have been allocated to team members who have specialist knowledge in the relevant areas

Chartered Accountants

Harris Lipman LLP is a limited liability partnership registered in England & Wales. Registered Number 0C311167
Registered to carry on audit work in the UK & Ireland and regulated for a range of investment business activities by The Institute of Chartered Accountants in England & Wales
A list of Members' names is open to inspection at our Registered Office 2 Mountview Court 310 Friern Barnet Lane London N20 0YZ

Also at 2 Mountview Court 310 Friern Barnet Lane Whetstone London N20 0YZ tel 020 8446 9000 fax 020 8446 9531 DX 132890 Whetstone 2

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Additionally, we have complied with obligations imposed by statute and our regulatory bodies which include, but are not limited to, the submission of returns to Companies House, HM Revenue and Customs and specific penalty bonding

Investigative matters

The company's books and records have been recovered, listed and analysed, but no assets other than those listed above have been identified

In accordance with my statutory duties, a conduct report on the director has been submitted to the Insolvency Service pursuant to the Company Directors Disqualification Act 1986

If you are aware of any matters which you believe require our investigation, please advise us accordingly, in writing, providing as much detail as possible with regard to those matters. Any such contact will, of course, be kept confidential

3. Abstract of the Joint Liquidators' receipts and payments

We attach at Appendix 3 an abstract of our receipts and payments for the period of this report

Please note that all items detailed on the receipts and payments account are shown net of VAT as the company was registered for VAT and the VAT can therefore be recovered for the benefit of the insolvent estate

4. Assets which remain to be realised

There are no assets remaining to be realised. We intend issuing a draft of our final progress report under the provisions of Rule 4.49D shortly

5. Joint Liquidators' remuneration

At the first meeting of creditors held on 5 March 2013, the creditors authorised the payment of a fee of £5,000 plus VAT and disbursements for assistance with the statement of affairs and producing and circulating the notices for meetings of members and creditors prior to our appointment. This fee was paid and is shown in the enclosed receipts and payments account

Our remuneration was fixed by reference to the time properly spent by ourselves and our staff in attending to matters arising in the Liquidation at a meeting of creditors on 5 March 2013

We attach at Appendix 1 a breakdown of the time costs between the grades of staff allocated to this case, which includes details of the current charge out rates of ourselves and our team who have been and will be dealing with the Liquidation

For creditor's information, the charge out value of time costs incurred during the period to which this report relates amounts to £1,815.00 made up of 9.25 hours at an average charge out rate of £196.22 per hour

This cost has primarily been incurred in the administration of the Liquidation full details of which are covered in section 2 above

You will note from the attached breakdown of time costs that we have recovered £17,250 00 in respect of our time costs to date, £350 00 during the period of this report

A copy of "A Creditors' Guide to Liquidator's Fees", issued by the Association of Business Recovery Professionals, which sets out the basis of fixing the Liquidator's Remuneration, is available on our website at

<http://www.harris-lipman.co.uk/resources/r3-insolvency-guides/>

You should then choose the appropriate creditor guide for the type of appointment after 6 April 2010

Please let us know if you do not have access to the internet and would prefer a hard-copy of this guide

6. Joint Liquidators' expenses

The payments made from the estate during the period of this progress report are largely self-explanatory

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Williams & Partners	Valuer	Fixed Fee
Frisby Wishart	Payroll Services	Fixed Fee
Courts Advertising	Advertising	Fixed Fee
AUA Insolvency Risk	Insurance	Fixed Fee

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

Below is a table which details what disbursements have been incurred, paid and which remain outstanding in the Liquidation

Nature of Expense	Incurred in period (£)	Paid in the period (£)	Remains Outstanding (£)	Total Paid by the Liquidation (£)
Agents/Valuers Fees	500 00	500 00	Nil	500 00
Accountancy Fees	250 00	250 00	Nil	250 00
Searches	8 00	Nil	8 00	Nil
Statutory Advertising	297 00	222 75	74 25	222 75
Specific Penalty Bond	50 00	Nil	50 00	Nil

A statement with regard to our disbursements recovery policy is attached at Appendix 2

7. Return to creditors pursuant to Section 176A

The provisions of Section 176A of the Act require a calculation to be made of the prescribed part of the company's net property for distribution to unsecured creditors. The prescribed part must be calculated and provided for where debentures of the company have been created after 15th September 2003.

In dealing with realisations under the prescribed part, we are entitled to take into account the claims of the preferential creditors and the costs and expenses associated in dealing with the prescribed part.

The company's net property comprises floating charge realisations less preferential claims and the costs of dealing with the prescribed part.

As there are no qualifying floating charges, the provisions of Section 176A do not apply in this matter.

8. Outcome for creditors

We have received a claim from the Redundancy Payments Service in respect of payments made to former employees of the company, in the sum of £4,043 99 preferential and £27,536 25 non-preferential.

There are additional claims of £116 43 preferential and £15 82 non-preferential in relation to claims of former members of staff which have been calculated to rank for dividend, these being over and above the statutory maximum limited paid by the Redundancy Payments Office under current legislation.

We have also received claims in respect of PAYE, NI, and VAT totalling £45,680 38 to rank for dividend.

Trade and Expense creditor claims received to date total £8,568 40 against total creditors' claims shown on the company's statement of affairs of £3,334 77.

Unfortunately, there are insufficient funds to enable a dividend to be paid to any class of creditor.

9. Creditors' right to information

A creditor may make a request for further information regarding our remuneration and expenses. Any such request must be in writing and should be made within 21 days of receipt of this report. Where the request is made by an unsecured creditor, it must be supported by at least 5% in value of the unsecured creditors, or with the permission of the Court.

If the information requested is either prejudicial to our conduct of this case, might lead to violence against any person, may be confidential or the costs of preparing the requested information would be excessive, we may not be obliged to provide it.

Any unsecured creditor may make an application to the Court in respect of any information provided following such a request, or our failure to provide same, after 14 days of our receipt of that request.

Additionally, creditors may make an application to Court to challenge the amount or basis of our remuneration and expenses, which must be supported by at least 10% in value of the creditors, including the applicant's claim. The application must be made within 8 weeks of receipt of this report. The costs of the application must also be paid by the creditors making the application.

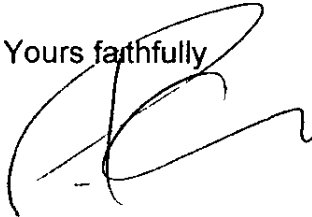
Further details with regard to these provisions form part of the guidance notes relating to fees referred to previously.

10. Next report

We are required to provide a further progress report within two months of the end of the next anniversary of the Liquidation. However, as there are no further matters to resolve, the liquidation will be finalised and our files will be closed shortly.

Should you have any further queries in relation to the contents of this report, or with regard to other matters arising, please do not hesitate to contact us.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Freddy Khalastchi', written over the words 'Yours faithfully'.

Freddy Khalastchi FCA FABRP

Licensed as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Joint Liquidator

CONVERGENCE MARKETING LIMITED

APPENDIX I

TIME CHARGE OUT SUMMARY FOR THE PERIOD ENDED 4 MARCH 2015

Classification of work function	HOURS							Total Hours	Time Costs	Average Hourly Rate
	Partner	Senior Manager	Manager	Senior	Semi-Senior	Junior	Support	£	£	£
Admin and Planning	0 00	1 20	0 10	3 20	1 30	1 10	0 00	6 90	1,455 50	210 94
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	2 10	0 00	0 00	2 10	346 50	165 00
Support	0 00	0 00	0 00	0 00	0 00	0 00	0 25	0 25	13 00	52 00
Total Hours	0 00	1 20	0 10	3 20	3 40	1 10	0 25	9 25		
Total Costs	0 00	388 00	27 50	704 00	561 00	121 50	13 00		1,815 00	
Total Fees claimed (£)	0 00	74 82	5 30	135 76	108 18	23 43	2 51		350 00	

CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS 2014

	£ per hour
Partner	380-545
Senior Manager	320-385
Manager	275
Senior	220
Semi-Senior	165
Junior	110
Support Staff	52

CURRENT CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS

	£ per hour
Partner	395-560
Senior Manager	330-400
Manager	285
Senior	230
Semi-Senior	170
Junior	115
Support Staff	54

Note 1

There may have been a number of promotions through the various grades during the period of the administration

Note 2

It is the policy of this firm to account for secretarial staff as an overhead cost Overhead costs are reflected in the charge out rates detailed

Note 3

The charge-out rate of the Insolvency Practitioner for this assignment is currently £505 per hour, and the administrator is £230 per hour

Note 4

Time is recorded in minimum units of 6 minutes

APPENDIX 2

DISBURSEMENTS RECOVERY POLICY

Category 1 Disbursements

Specific expenditure relating to the administration of the insolvent estate and payable to an independent third party are recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

All such disbursements such as, insurance of assets, search fees and specific penalty bonding will be paid initially by Harris Lipman LLP and will be recharged through the estate as and when funds are available.

As there have been no realisations in this matter to date, all such disbursements such as statutory advertising, insurance of assets, search fees and specific penalty bonding have been paid by Harris Lipman LLP and will be recharged through the estate as and when funds are available.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost is recoverable with creditor approval.

Payments in respect of the above are defined as 'Category 2 Disbursements'. These charges are generally in respect of storage at £40 per box per annum or part thereof and destruction at £3.50 per box, plus VAT, in respect of company records stored.

These records are usually returned to the debtor after completion of the administration of the estate or, if they are no longer required, they will be destroyed one year after completion of the administration and the creditors will be asked to approve resolutions for both category 2 disbursements and the destruction of the books and records at the appropriate time.

There have been no 'Category 2 Disbursements' made from the insolvent estate.

Professional advisors have been selected on the basis that they have the appropriate experience and qualifications to effectively deal with the issues arising in a case of this nature. Solicitors have been instructed on a time costs basis, and the agents have been instructed on the basis that they receive a percentage of realisations plus disbursements.

Appendix 3
Convergence Marketing Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 05/03/2014 To 04/03/2015	From 05/03/2013 To 04/03/2015
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	DISTRIBUTIONS		
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		NIL	NIL
<u>(76,974 97)</u>		<u>(350 00)</u>	<u>111.07</u>
	REPRESENTED BY		
	VAT Receivable		70 00
	Coutts		41 07
			<u>111.07</u>