

**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

03409756

Name of Company

Primary Underwriting Limited

I / We  
Neil John Mather  
32 Cornhill  
London  
EC3V 3BT

Gary Paul Shankland  
32 Cornhill  
London  
EC3V 3BT

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 30/03/2011 to 29/03/2012

Signed



Date

31 May 2012

Begbies Traynor (Central) LLP  
32 Cornhill  
London  
EC3V 3BT

Ref PR091MVL/NJM/GPS/RXJ/LXN/WF/A

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COMPANIES HOUSE

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## **Primary Underwriting Limited (In Members' Voluntary Liquidation)**

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Progress report pursuant to Section 92A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986

Annual Period: 30 March 2011 to 29 March 2012

### **Important Notice**

This report has been produced solely to comply with our statutory duty to report to members of the Company pursuant to Section 92A of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Primary Underwriting Limited (In Members' Voluntary Liquidation)
"the liquidators", "we", "our" and "us"	Neil John Mather and Gary Paul Shankland, both of Begbies Traynor (Central) LLP, 32 Cornhill, London, EC3V 3BT
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"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 creditors"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

# 2. COMPANY INFORMATION

Trading name	Primary Underwriting Limited
Company registered number	03409756
Company registered office	32 Cornhill, London, EC3V 3BT
Former trading address	3 More London Riverside , London, SE1 2AQ

# 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	30 March 2011
Date of liquidators' appointment	30 March 2011
Changes in liquidator	N/A

## 4. PROGRESS SINCE APPOINTMENT

As you will be aware, the Joint liquidators have held no funds in this matter as reflected in the attached account at Appendix 1

## 5. OUTCOME FOR CREDITORS

In a members' voluntary liquidation, creditors are required to prove their claims and the Joint Liquidators must examine the proofs and the particulars of the claims and admit them, in whole or in part, or reject them. The Joint Liquidators must then settle the priorities of the creditors (as between preferential, secured and unsecured) before paying them in full with statutory interest.

The Statement of Assets and Liabilities accompanying the Declaration of Solvency sworn by the director indicated that there were no outstanding creditors.

A notice advising potential creditors of the liquidation of the Company was placed in the London Gazette and another prominent newspaper on 7<sup>th</sup> & 8<sup>th</sup> April 2011, respectively, along with a request to contact the Joint Liquidators should any claim exist. To date no claims have been received.

The Joint Liquidators have requested clearance from HM Revenue & Customs that no further amounts are due in respect of PAYE and National Insurance and Corporation Tax.

## 6. DISTRIBUTIONS TO MEMBERS

In accordance with the Declaration of Solvency, there are insufficient assets to enable a distribution to the Company's member.

## 7. REMUNERATION & DISBURSEMENTS

The Joint Liquidators' remuneration is based on hourly costs at scale rates calculated on the time properly spent in the course of the liquidation and was approved at the initial meeting of members held on 30 March 2011.

Total time spent to date on this assignment (excluding pre-appointment time) amounts to 21.60 hours at an average composite rate of £224.63 per hour resulting in total time costs to date of £4,852.

Please note that the Joint Liquidators' time costs are the responsibility of a third party. However the following further information as regards to time costs and expenses is set out at Appendix 2 for your information.

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value
- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

If you wish to know more about how members should determine the liquidators' fees the booklet, *A creditors' guide to liquidators' fees*, is available at our website [www.begbies-traynor.com](http://www.begbies-traynor.com) via the "Corporate Recovery and Insolvency" link in the "Quick Links" box on the left hand side of the homepage. From there please follow the "Creditor" link which will take you to the appropriate page where the Guide can be found at the end (although this booklet is directed at creditors in insolvent liquidations the same principles apply to members in members' voluntary liquidations) or you can telephone my office on who will send you a copy.

## 8 UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable

## 9. OTHER RELEVANT INFORMATION

### **Right to request further information**

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a member or members of the Company with at least 5% of the voting total rights of all the members having the right to vote at general meetings of the Company, (or any member or members with less than 5% of the total voting rights, but with the permission of the Court) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been detailed in this progress report.

### **Right to make an application to Court**

Pursuant to Rule 4.148C of the Rules, within 8 weeks of receipt of this progress report any member or members of the Company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company, (or any member or members with less than 10% of the total voting rights, but with the permission of the Court) may make an application to court on the grounds that the remuneration charged or the expenses incurred by the Joint Liquidators as set out in this progress report are excessive or, the basis fixed for the Joint Liquidators' remuneration is inappropriate.

## 10. CONCLUSION

This report and account of receipts and payments will be laid before a final meeting of the Company to be held on Wednesday 11 July 2012 in accordance with Section 94 of the Act. Formal notice of the meeting and a proxy form are enclosed with the covering letter accompanying this report.

The meeting is a formal requirement of liquidation procedure and a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office. If you wish to attend the meeting, it would assist in making the necessary administrative arrangements if you would inform Leeanne Naughton by telephone. This is particularly important if you consider that the proposed venue is inconvenient. In that event, we will consider reconvening the meeting to an alternative venue to be agreed. Any such request should be made within the next seven days.

If you do not wish to attend the meeting in person, you can appoint a proxy to attend on your behalf. The proxy form should be returned by 12 noon on the business day before the meeting.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to Leeanne Naughton in the first instance, who will be pleased to assist.



Neil J Mather  
Joint Liquidator

Dated 31 May 2012

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# JOINT LIQUIDATORS' ANNUAL AND FINAL ACCOUNT OF RECEIPTS AND PAYMENTS FOR THE PERIOD FROM 30 MARCH 2011 TO 29 MARCH 2012

Estimated to  
realise per  
Declaration of  
Solvency

£

**RECEIPTS**

-

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-

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**Total**

(period 30 March  
2011 to 29 March  
2012)

£

-

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-

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**PAYMENTS**

-

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-

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N B At no point have funds been held by the Joint Liquidators



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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 30 March 2011 to 16 March 2012

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of a solvent estate and seeks member 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 members 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 member approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> requires 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 SOLVENT 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 SOLVENT 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 usually 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 incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £150 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

(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*.

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 6 April 2010)

- Telephone and facsimile
- Printing and photocopying
- Stationery

## **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 London office as at the date of this report are as follows

<b>Grade of staff</b>	<b>Standard 1 May 2011 – until further notice London</b>
Partner	495
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Trainee Administrator	160
Support	160

Prior to 1 May 2011, the following rates applied

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner 1	495
Partner 2	395
Director	375
Senior Manager	350
Manager	300
Assistant Manager	250
Senior Administrator	220
Administrator	180
Trainee Administrator	150
Support	150

Prior to 15 January 2011 the following rates applied

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner 1	450
Partner 2	395
Director	375
Senior Manager	350
Manager	300
Assistant Manager	250
Senior Administrator	220
Administrator	180
Trainee Administrator	150
Support	150

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units.

## SUMMARY OF OFFICE HOLDERS' TIME COSTS

### 1 CASE OVERVIEW

- 1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 **Complexity of the case**

This liquidation has been relatively straight forward, with the main objective being that of ensuring any potential creditors could prove their claims and all tax matters are finalised

1.3 **The office holders' effectiveness**

The Director's Declaration of Solvency ("DoS") estimated that there were no assets or liabilities

As advised earlier in the report a notice advising potential creditors of the liquidation of the Company was placed in the London Gazette and another prominent newspaper on 7<sup>th</sup> and 8<sup>th</sup> April 2011, along with a request to contact the Joint Liquidators should any claim exist. To date no claims have been received

All outstanding pre-liquidation tax returns have been submitted to HM Revenue & Customs

1.4 **Nature and value of property dealt with by the office holders**

No assets have been realised during the liquidation, in accordance with the Declaration of Solvency

1.5 **Anticipated return to members**

There has been no distributions to the Company's member

1.6 **Time costs analysis**

An analysis of time costs incurred between 30 March 2011 and 18 May 2012 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

Appropriately experienced staff undertook the various tasks arising in the liquidation to ensure matters were properly dealt with at the least cost to the estate. It is the policy of Begbies Traynor that all grades of staff charge time which solely relates to the case

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only

1.7 **The views of the members**

The member has been kept informed of developments in the liquidation as and when queries were put to us

1.8 **Approval of fees**

The Joint Liquidators' remuneration is based on hourly costs at scale rates calculated on the time properly given by the Joint Liquidators and their staff in attending to matters arising in the liquidation and was approved at the initial meeting of members held on 30 March 2011

Please note however that these costs are the responsibility of a third party

**1 10 Approval of Expenses and Disbursements**

These costs are the responsibility of a third party

**1 12 Other professionals employed & their costs**

Please note that no professionals have been employed by the Joint Liquidators

**2 EXPLANATION OF LIQUIDATORS' CHARGING AND DISBURSEMENT RECOVERY POLICIES**

- 2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses and also the rates charged by the various grades of staff who have worked on the case are also attached

**3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT**

- 3 1 The following work has been carried out since the onset of the liquidation

- Ensuring compliance with professional standards,
- Complying with all statutory obligations in the liquidation,
- Dealing with receipts and payments during the liquidation,
- Dealing with statutory filings, including submissions to Companies House, reports to members and final meeting of members,
- Obtaining tax clearance,
- Dealing with all matters necessary to finalise the liquidation



**APPENDIX 3**

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**STATEMENT OF JOINT LIQUIDATORS' EXPENSES**

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Statutory Advertising	Courts Advertising Limited	456 41	456 41	0
Bond	Willis Limited	20 00	20 00	0

**Future expenses**

Statutory Advertising	Courts Advertising Limited	76 50	76 50	0
Storage	Archive Solutions	42 56	42 56	0