

**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

03771898

Name of Company

Systems 4 Limited

I / We

Nicholas W Nicholson, Old Station Road, Loughton, Essex, IG10 4PL

Stratford Hamilton, Old Station Road, Loughton, Essex, IG10 4PL

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 18/05/2015 to 17/05/2016

Signed



Date

2/6/16

Haslers
Old Station Road
Loughton
Essex
IG10 4PL

Ref SYS010/NWN/SEH/MD/JW

WEDNESDAY



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COMPANIES HOUSE

SYSTEMS 4 LIMITED – IN MEMBERS' VOLUNTARY LIQUIDATION

JOINT LIQUIDATORS' PROGRESS REPORT TO MEMBERS FOR THE YEAR ENDING 17 MAY 2016

STATUTORY INFORMATION

Company name	Systems 4 Limited
Registered office	Haslers Old Station Road Loughton IG10 4PL
Former registered office	65 Church Hill London E17 3BD
Registered number	03771898
Joint Liquidators' names	Nicholas W Nicholson Stratford Hamilton
Joint Liquidators' address	Haslers Old Station Road Loughton IG10 4PL
Joint Liquidators' date of appointment	18 May 2015

JOINT LIQUIDATORS' ACTIONS SINCE APPOINTMENT

The only asset to be dealt with in the matter was the credit balance held in the company's bank account. The sole Director arranged for the credit balance to be transferred to my firm's client account pending the liquidation taking place.

Following the date of liquidation, the credit balance belonging to the company was transferred to the liquidation account and I made an interim distribution to the sole member of the company.

The company is not registered for VAT purposes. I therefore made enquiries with the relevant HM Revenue & Customs' departments with regard to outstanding tax returns and liabilities. There was a CT Return outstanding for the final pre-liquidation period and I liaised with the company's former accountant with regard to completion of the same.

The final CT Return for the liquidation period has also been submitted and acknowledged. HM Revenue & Customs requested payment of the liability of 0.80p which was duly settled.

HM Revenue & Customs have also confirmed that there are no outstanding matters and that I

may obtain my release as Liquidator

There is certain work that I am required to undertake by the insolvency legislation in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is as follows

Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Setting up electronic case files
- Setting up the case on the practice's electronic case management system and entering data
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment
- Obtaining a specific penalty bond
- Convening and holding a general meeting of Members (as applicable)
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing the office holder's estate bank account
- Creating, maintaining and managing the office holder's cashbook
- Undertaking regular bank reconciliations of the bank account containing estate funds
- Reviewing the adequacy of the specific penalty bond on a quarterly basis
- Undertaking periodic reviews of the progress of the case
- Overseeing and controlling the work done on the case by case administrators
- Preparing, reviewing and issuing annual progress reports to Members
- Filing returns at Companies House
- Liaising with the former accountant regarding Tax returns
- Preparing and filing Corporation Tax returns
- Calculating and making distributions to Members and completing the relevant documentation required

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 18 May 2015 to 17 May 2016 is enclosed

The balance of funds are held in an interest bearing estate bank account

ASSETS

CASH AT BANK

The only asset in the liquidation was the credit balance in the company's bank account. The director arranged for this to be transferred to me

LIABILITIES

SECURED CREDITORS

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

PREFERENTIAL CREDITORS

The Declaration of Solvency anticipated no preferential creditors and no claims have been received

CROWN CREDITORS

The Declaration of Solvency included no amount owed to HMRC and no claims have been received

NON-PREFERENTIAL UNSECURED CREDITORS

The Declaration of Solvency included no non preferential unsecured creditors and no claims have been received

SHARE CAPITAL

The following distributions were made to the sole Member holding 500 ordinary shares

Date	Amount distribution	Rate of distribution per share
21 May 2015	£66,000	13,200p per share
16 March 2016	£127 35	25 57p per share

JOINT LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by members at a meeting held on 18 May 2015 to be drawn on a time cost basis capped at £3,500. My total time costs to 17 May 2016 amount to £6,632, representing 32.60 hours work at an average charge out rate of £203.44 per hour.

I have drawn £3,500 to date. A schedule of my time costs incurred to date is attached.

A copy of 'A Creditors' Guide to Liquidators' Fees', published by the Association of Business Recovery Professionals is available at the link <http://www.haslers.com/services/insolvency-and-recovery-services/>. A hard copy can be obtained on request, free of charge.

JOINT LIQUIDATORS' EXPENSES

My expenses to 17 May 2016 amount to £81.00 which have been drawn in full.

I have incurred the following expenses in the period since my appointment as Liquidator:

Type of expense	Amount incurred/ accrued in the reporting period
Insolvency Practitioners Bond	£81.00

FURTHER INFORMATION

A member may, with the permission of the court or with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report

A member may, with the permission of the court or with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report

SUMMARY

My duties as Liquidator are now complete and I am in a position to convene the final meetings in order to obtain my release. The final report will be prepared and sent to Members shortly convening the final meeting

If Members or creditors have any queries regarding this report, or the liquidation in general, or if they want hard copies of any of the documents made available on-line, they should contact Michelle Dean on 020 8418 3432, or by email at michelle.dean@haslers.com

At Haslers we always strive to provide a professional and efficient service. However we recognise that it is in the nature of insolvency proceedings for disputes to 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 me at the address given in this letter

If you consider that I have not dealt with your comments or complaint appropriately, you should then put details of your concerns in writing to our offices. 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, or you can email insolvency.enquiryline@insolvency.gov.uk, or you may phone 0300 678 0015 - calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you are calling from the UK




STRATFORD HAMILTON
JOINT LIQUIDATOR

**Systems 4 Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 18/05/2015 To 17/05/2016
71,371 00	ASSET REALISATIONS	
	Cash at Bank	70,977 00
	Bank Interest Gross	4 43
		<u>70,981 43</u>
	COST OF REALISATIONS	
	Specific Bond	81 00
	Office Holders Fees	3,500 00
	Accountancy fees	150 00
	Corporation Tax	0 80
	Irrecoverable VAT	766 96
	Statutory Advertising	253 80
		<u>(4,752 56)</u>
	DISTRIBUTIONS	
	Ordinary Shareholders	66,127 35
		<u>(66,127 35)</u>
<u>71,371 00</u>		<u>101 52</u>
	REPRESENTED BY	
	Barclays Bank plc	101 52
		<u>101 52</u>

Note



Nicholas W Nicholson
Joint Liquidator

**Systems 4 Limited
(In Liquidation)**

**Joint Liquidators' Abstract Of Receipts And Payments
To 18 May 2016**

RECEIPTS	Declaration of Solvency (£)	Total (£)
Cash at Bank	71,371 00	70,977 00
Bank Interest Gross		4 43
		<hr/>
		70,981 43
		<hr/>
PAYMENTS		
Specific Bond		81 00
Office Holders Fees		3,500 00
Accountancy fees		150 00
Corporation Tax		0 80
Irrecoverable VAT		766 96
Statutory Advertising		253 80
Ordinary Shareholders		66,127 35
		<hr/>
		70,879 91
Net Receipts/(Payments)		101 52
		<hr/>
MADE UP AS FOLLOWS		
Barclays Bank plc		101 52
		<hr/>
		101 52
		<hr/>

Note - VAT is not recoverable

Analysis of time costs from 18/05/15 to 17/05/16

Categories	Time recorded (Hours)						Total Sum of Charge	Average Hourly Rate
	Partner	Manager	Senior Administrator	Administrator	Junior	Total Time		
Case Planning	2 20	2 20			0 40	4 80	1,657 00	345 21
Appointment Notification			2 80			2 80	462 00	165 00
Maintenance of Records	0 40	1 40	15 00			16 80	2,988 50	177 89
Statutory Reporting	1 00	2 70				3 70	1,036 50	280 14
INS Cashiering			0 40	4 10		4 50	488 00	108 44
	3 60	6 30	18 20	4 10	0 40	32 60	6,632 00	203 44

PRACTICE FEE RECOVERY POLICY FOR HASLERS

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.haslers.com/services/insolvency/>. Alternatively a hard copy may be requested from Haslers, Old Station Road, Loughton, Essex IG10 4PL. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee (if applicable) and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 January 2016	Previous charge-out rate per hour, effective from 1 January 2015
	£	£
Partner – appointment taker	375-510	375-510
Manager	285-320	285-320
Senior Administrator	195-250	195-250
Case Administrator	95-165	95-165
Cashier	100	100

These charge-out rates charged are reviewed on 1 January each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories

- Administration and Planning
- Maintenance of records
- Investigations
- Realisation of Assets
- Creditors
- Case specific matters
- Statutory reporting

IN CASES WHERE WE WERE APPOINTED PRIOR TO 1 OCTOBER 2015, MOST OF OUR FEES WERE RECOVERED ON A TIME COSTS BASIS AND APPROPRIATE AUTHORITY WAS OBTAINED FROM THE CREDITORS OR THE COMMITTEE AS SET DOWN IN THE LEGISLATION.

THE LEGISLATION CHANGED ON 1 OCTOBER 2015 AND ON NEW APPOINTMENTS WE SEEK TIME COST RESOLUTIONS FOR ALL CATEGORIES OF WORK

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Haslers, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees

Category 2 expenses are costs which include elements of shared or allocated costs. It is not Haslers' policy to charge for such costs