

## The Insolvency Act 1986

Liquidator's Progress Report  
Pursuant to Section 192 of  
The Insolvency Act 1986**S.192**

To the Registrar of Companies

For Official Use

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Company Number

03795152

Name of Company

JK Internet Limited

I / We  
Gareth David Rusling  
93 Queen Street  
Sheffield  
S1 1WF  
DX 10616 SheffieldFilippa Connor  
93 Queen Street  
Sheffield  
S1 1WF  
DX 10616 Sheffieldthe liquidator(s) of the company attach a copy of my/our progress report  
under section 192 of the Insolvency Act 1986

Signed



Date 13 June 2011

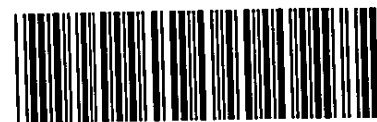
The P&A Partnership  
93 Queen Street  
Sheffield  
S1 1WF  
DX 10616 Sheffield

Ref J163410/CPH/g/GDR

For Official Use

Insol

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17/06/2011

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COMPANIES HOUSE



**The P&A Partnership**  
Business Recovery & Insolvency

93 Queen Street Sheffield S1 1WF  
MDX 10616 SHEFFIELD  
info@thepandapartnership.com  
Tel 0114 275 5033  
Fax 0114 276 8556

Our Ref J163410/CVL1001/L/ CPH/g/GDR/

Your Ref

**TO ALL SHAREHOLDERS AND CREDITORS**

Date 13 June 2011

Contact Gareth Rusling

Dear Sirs

**JK INTERNET LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
ANNUAL REPORT TO CREDITORS**

Further to our appointment as Joint Liquidators of the above named Company on 30 April, 2010 and in accordance with Section 104A of the Insolvency Act 1986 enclosed for your information is the following documentation -

- (a) First annual progress report of the liquidation on the conduct of the Winding-Up during the preceding year,
- (b) Creditors Guide to the Fees, Expenses and Disbursements charged by The P&A Partnership

A Creditors' Guide to Fees is available and provides explanations of creditors' rights. This can be accessed via the Internet at [www.thepandapartnership.com/resources](http://www.thepandapartnership.com/resources) or alternatively a copy can be requested by telephoning The P&A Partnership Help Desk +44 (0)114 275 5033

Yours faithfully

**Gareth David Rusling**  
Joint Liquidator

Encls  
Annual Report  
P&A Creditors Guide to Fees  
Letter to Creditors enclosing Annual Report

**JK INTERNET LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION**

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**JOINT LIQUIDATORS' ANNUAL PROGRESS REPORT  
TO MEMBERS AND CREDITORS PURSUANT TO  
SECTION 104A OF THE INSOLVENCY ACT 1986  
FOR THE 12 MONTH PERIOD ENDED  
29 APRIL 2011**

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**Gareth David Rusling & Filippa Connor  
Joint Liquidators**

**The P&A Partnership  
93 Queen Street  
Sheffield  
S1 1WF**

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## STATUTORY INFORMATION

Trading Address	26 Chilbridge Road Eynsham Witney Oxon OX29 4BE
Company Number	03795152
Date of Incorporation	24/06/1999
Registered Office	93 Queen Street Sheffield S1 1WF
Nature of Business	Computer software & consulting services
Date of Liquidation	30 April 2010
Joint Liquidators	Gareth David Rusling & Filippa Connor
Basis of Remuneration	The Office Holders remuneration is to be calculated by reference to the time properly spent by the Office Holders and their staff in carrying out their functions, dealing with all matters arising during the course of the winding-up and to be based on their normal time costs chargeable in insolvency matters.
Contact Details	<a href="mailto:epost@thepandapartnership.com">epost@thepandapartnership.com</a>

## INTRODUCTION

- 1 1 At a Meeting of Members and Creditors held on 30 April 2010 it was resolved that Gareth David Rusling & Filippa Connor were appointed Joint Liquidators. Gareth David Rusling & Filippa Connor are both licensed as insolvency practitioners by the Insolvency Practitioners Association. A creditors' committee was not formed.

## REALISATIONS

- 2 1 A summary of the realisations to date and the assets still outstanding is as follows -

Statement of Affairs £	Asset Realisation	Para	Realisations In this Period £	Total Realisations £	Anticipated Further Realisations £
-	Tax Refund	2 2	1,336	1,336	-
-			1,336	1,336	-

- 2 2 The Joint Liquidators were able to recover a tax refund that was not anticipated at the date of liquidation.
- 2 3 The company holds no other assets which could be realised for the benefit of the Liquidation.

## 3 DEBENTURE HOLDER & SECURED CREDITORS

- 3 1 To secure the bank borrowings the company granted a debenture to HSBC Bank Plc dated 7 December 2000 which created fixed and floating charges over the whole of the company's undertaking.
- 3 2 The Enterprise Act 2002 brought into force provisions for a fund, called the Prescribed Part, to be set aside for distribution to the unsecured creditors, from the net realisation of assets subject to a floating charge contained in a debenture. However, as the date of the first floating charge is 7 December 2000 there can be no deduction for the benefit of unsecured creditors as the floating charge pre-dates the Prescribed Part provisions.

## 4 PREFERENTIAL CREDITORS

No preferential creditors' claims have been received to date and none were anticipated on the Statement of Affairs.

## 5 UNSECURED CREDITORS

The Unsecured Creditors' claims received to date are as follows -

	Number of Creditors	Statement of Affairs £	Number of Creditors	Claims Admitted £
Trade & Expense Creditors	5	748	-	-
Iron Solutions Limited	1	184,501	1	184,501
HMRC – PAYE/NIC	1	29,587	1	64,430
HMRC - VAT	1	148	1	162
Directors Loan Account – K Dunwell	1	30,826	1	18,202
Directors Loan Account – DR Plowright	1	17,994	-	-
Directors Loan Account – SR Darnell	1	18,202	-	-
		<u>282,006</u>		<u>267,295</u>

## 6 INVESTIGATIONS

- 6 1 The Joint Liquidators have a statutory obligation to submit a report on the director's conduct to the Department of Trade and Industry and I confirm that this report has been submitted. The contents of this report are confidential therefore cannot be disclosed to creditors.
- 6 2 The Joint Liquidators enquiries into the transactions by the Company and the conduct of its directors prior to Liquidation, has not given rise to any actions for recoveries under the relevant legislation contained in the Insolvency Act 1986.

## 7 ABSTRACT OF RECEIPTS AND PAYMENTS

- 7 1 Attached is a copy of the Joint Liquidators' receipts and payments for the preceding 12 months ending 29 April 2011.

## 8 JOINT LIQUIDATORS' EXPENSES AND DISBURSEMENTS

- 8 1 Disbursements incurred to date total £487 none of which have been drawn. Disbursements are in respect of the following expenses:-

Category 1 Disbursements	£	Category 2 Disbursements	£
Meeting Room Hire	94	Company Search Fees	55
		Faxes, Postage & Stationery	79
		Storage of Records	126
		Travel & Subsistence	133
<b>Total</b>	<u><b>94</b></u>	<b>Total</b>	<u><b>393</b></u>

**Category 1 Disbursements:** Payment of specific expenditure which generally comprise of external supplies and services specifically identifiable to the case which can be made without approval from creditors

**Category 2 Disbursements:** Payments to the Office Holder or any party that is an associate of the Office Holder which generally comprise of disbursements for services provided by the Office Holder's firm. Such payments require the approval from creditors

## **9 JOINT LIQUIDATORS' REMUNERATION**

9.1 At the first meeting of creditors held on 30 April 2010, it was resolved by the general body of creditors that the Office Holders remuneration is to be calculated by reference to the time properly spent by the Office Holders and their staff in carrying out their functions, dealing with all matters arising during the course of the winding-up and to be based on their normal time costs chargeable in insolvency matters. The Office Holders and their staff have dealt with the following matters -

- Preparation and submission of outstanding Value Added Tax returns up to the date of liquidation to agree the claim of H M Revenue & Customs,
- Preparation and submission of outstanding Corporation Tax Returns and PAYE Returns up to the date of liquidation to enable H M Revenue and Customs to lodge their claim in liquidation proceedings,
- Preparation and submission of the statutory report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986;
- Agreeing and admitting of creditors' claims,
- Preparation and submission to Companies House the statutory Liquidators Receipts and Payments Account pursuant to S192 of the Insolvency Act 1986,
- Dealing with all statutory requirements pursuant to the Insolvency Act and Rules and reporting to shareholders and creditors

9.2 The time costs totalling £5,301 from the date of liquidation have been calculated in accordance with the resolution passed by creditors on the 30 April 2010

9.3 No fees have been drawn on account during this period, leaving a balance outstanding due to the Office Holders of £5,301

9.4 An analysis of the Office Holders time costs for the period covered by this report is attached

9.5 The time costs analysis summary shows the various functions of the work undertaken by the office holders and their staff are as follows -

9.6 **Administration and Planning** includes case planning, administrative set procedures, appointment notification, general administration, maintenance of records and statutory reporting



- 9 7 **Investigation** includes reporting on the directors' conduct, investigating antecedent transactions and any other investigations deemed to be appropriate or requested by the creditors
- 9 8 **Realisation of Assets** includes identifying, securing and insuring assets, sales of businesses, freehold and leasehold property, other fixed assets, motor vehicles, stock and the collection of book debts and dealing with any legal matters related thereto
- 9 9 **Trading** includes the planning of management operations, cash flow and trading forecasts, dealing with customers and suppliers, trading vat and tax matters and ongoing employee issues
- 9 10 **Case Specific Matters** include employee and pension related matters, vat and other tax issues
- 9 11 **Creditors** includes creditors meetings, communications with creditors, agreeing secured, preferential and unsecured claims, and retention of title issues with suppliers
- 9 12 A secured creditor, or an unsecured creditor with the concurrence of a least 5% in value of the unsecured creditors ( or with permission of the Court), have a period of twentyone days from the date of this progress report to request further information in respect of the Liquidators' remuneration and expenses
- 9 13 Any secured creditor, or any unsecured creditor with the concurrence of a least 10% in value of the creditors, including that creditor (or with the permission of the Court), may make an application to the Court on the grounds that, the remuneration charged by the Liquidators', or the basis fixed for the Liquidators' remuneration, or the expenses incurred by the Liquidators' are excessive. Such an application to the Court must be made within eight weeks of the date of receipt of the progress report
- 9 14 A Creditors' Guide to Fees is available and provides explanations of creditors' rights. This can be accessed via the Internet at [www.thepandapartnership.com/resources](http://www.thepandapartnership.com/resources) or alternatively a copy can be requested by telephoning The P&A Partnership Help Desk +44 (0)114 275 5033

## 10 DIVIDEND PROSPECTS

- 10 1 Unsecured creditors claims in the amount of £267,295 have presently been received
- 10 2 Due to a lack of realisable assets within the Company (as detailed in section 2 of this report), there shall be insufficient funds available to enable a distribution to any class of creditor

**11. CONCLUSION**

11.1 The Joint Liquidators are in the process of closing the case, which should be complete within the next three months



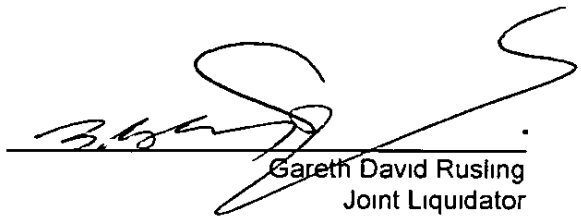
**Gareth David Rusling**  
**Joint Liquidator**

Encls  
Abstract of Receipts and Payments  
SIP 9 Time cost analysis  
Annual Progress Report to Members and Creditors

Our Ref J163410/CPH/g/GDR/L

**JK Internet Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 30/04/2010 To 29/04/2011
<b>ASSET REALISATIONS</b>		
NIL	Plant & Machinery	NIL
	Tax Refund	1,336 16
		<u>1,336 16</u>
<b>COST OF REALISATIONS</b>		
	Statement of Affairs Fee	1,000 00
	Bank Charges	20 00
		<u>(1,020 00)</u>
<b>FLOATING CHARGE CREDITORS</b>		
(17,177 00)	HSBC Bank Plc - Company Loan	NIL
		<u>NIL</u>
<b>UNSECURED CREDITORS</b>		
(748 00)	Trade & Expense Creditors	NIL
(184,501 00)	Inter Company Loan - IRUN Solutions	NIL
(29,587 00)	HM Revenue & Customs - PAYE/NIC	NIL
(148 00)	HM Revenue & Customs - VAT	NIL
(30,826 00)	Directors Loan Account - K Dunwell	NIL
(17,994 00)	Directors Loan Account - DR Plowright	NIL
(18,202 00)	Directors Loan Account - SR Darnell	NIL
		<u>NIL</u>
<b>DISTRIBUTIONS</b>		
(450 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(299,633 00)</u>		<u><u>316.16</u></u>
<b>REPRESENTED BY</b>		
	VAT Receivable	(41 73)
	Bank Balance	141 16
	*CPH CLOSING	(758 46)
	VAT Control Account	216 73
	*CPH CLOSING	758 46
		<u>316.16</u>

  
 Gareth David Rusing  
 Joint Liquidator

**SIP 9 - Time & Cost Summary**

Period 30/04/10 29/04/11

## Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants	Total Hours		
Administration & planning	1 70	2 40	9 80	6 00	19 90	3,100 00	155 78
Investigations	0 00	0 00	1 00	0 00	1 00	160 00	160 00
Realisations of assets	1 00	0 00	0 00	0 00	1 00	295 00	295 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	3 50	0 20	0 30	1 40	5 40	1,396 00	258 52
Case specific matters	0 00	0 70	0 70	0 70	2 10	350 00	166 67
Pre Sip9 Time Recording	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	6 20	3 30	11 80	8 10	29 40	5,301 00	180 31
Total Time Cost (£)	2,144 00	884 50	1,948 50	324 00			

## Creditors Guide to the Fees, Expenses and Disbursements charged by The P&A Partnership

### Rates applicable from the 1<sup>st</sup> April 2011

#### Details of Insolvency Practitioners Licensing Bodies

John Russell, Brendan Ambrose Guilfoyle, Andrew Philip Wood, Christopher Michael White, Gareth David Rusling, Filippa Connor and Ashleigh William Fletcher are all licensed by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London, EC3A 5DQ Philip Andrew Revill is licensed by the Institute of Chartered Accountants of England & Wales of Silbury Court, 412/416 Silbury Boulevard, Milton Keynes, MK9 2AF Derek Ewan Simpson is licensed by The Institute of Chartered Accountants of Scotland of CA House, 21 Haymarkets Yard, Edinburgh EH12 5BH

#### Insolvency Practitioners Fees

The Insolvency Rules 1986 entitles the Insolvency Practitioner to receive remuneration for his services and sets out the basis of how such remuneration shall be fixed which includes a percentage of the assets realised and monies distributed to creditors, a set amount, by reference to the time properly given by the office holders, their partners and staff in attending to matters arising, or one or more of the above bases and different basis may be fixed for different things Where it has been agreed by resolution of the secured creditors, a creditor's committee or creditors generally, that the office holders remuneration will be calculated by reference to a time basis, then such remuneration will be calculated in units of 6 minutes at the following hourly standard rates -

Grade	Total Hourly Standard Rates £	Total Hourly Complex Rates £
Partners/Associate Partners & Directors	320 – 435	480 – 600
Senior Manager & Managers	215 – 290	320 – 440
Administrators	176 – 215	
Assistants	40 – 176	

These are our current hourly charge out rates and are exclusive of value added tax Rates are reviewed annually and creditors will be advised of any alteration thereto In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the secured creditors, creditor's committee or the creditors generally, that their remuneration on such time as is agreed shall be charged on the above higher hourly complex rate

#### Debt Collection, Contested Asset Recovery and Related Services

Contested debt collection will be referred to P&A Receivables Services PLC, an associated company of The P&A Partnership and its dedicated legal firm James Peters & Co The fees of P&A Receivables Services PLC shall be charged by reference to the time properly given by their staff, such fees will be calculated in units of 6 minutes at the hourly rate of £80 P&A Receivable Services PLC may also be used to recover items such as plant and machinery, to locate debtors and to serve documents The fees for work of this nature will be calculated in accordance with P&A Receivables Services PLC's standard rates James Peters & Co fees will be charged by reference to time costs properly incurred, calculated in 6 minute units at an hourly rate of between £109 and £213, plus their disbursements These fees are in accordance with the guideline rates for summary assessment of costs following consultation between the legal profession and the Designated Civil Judge and are typical of legal firms in this geographical area

#### Expenses and Disbursements

The payment of **Category 1** disbursements will be a charge against the estate to recover the actual cost of the disbursement paid out in respect of the administration of the estate A separate amount will be charged by way of an expense to recover the cost of **Category 2** disbursements for services provided by the insolvency practitioner's firm Category 2 disbursements will include storage of company's books and records at the insolvency practitioner's own storage facility The books and records will be stored in banker's boxes and a storage fee will be charged at the rate of £7.50 per box per month This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after the first anniversary of the completion of the insolvency administration The recharge for company searches and electronic identification procedures for all new clients will depend on the documentation requested The charges will be £10 per set of financial accounts, £5 for an annual return, £5 for a mortgage summary, £10 for a company report, £35 for the Memorandum and Articles of Association, £15 for credit references, £5 for any other documents and £15 for electronic verification searches These charges reflect the insolvency practitioners costs to cover the administration costs of collating the information in addition to the direct costs in obtaining the documents An annual fee of £175 will be charged on corporate matters for the maintenance of the company's registered office at our office addresses The charge for the use of meeting rooms will be a flat rate of £100 per meeting or £150 in our London premises This includes where requested, the use of computer and media facilities Travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate per mile at the appropriate rate currently published by the "AA" for the type of vehicle and engine size used All circulars will be sent out by first class post and the actual postage costs will be charged as an expense to the estate In respect of circulars, stationery and photocopying will be charged out at the rate of 50p per letterhead, 25p per copy paper or facsimile, 09p per proxy form, 09p creditor's guide, 20p large envelope, 18p small envelope, 16p address labels No charge will be made in respect of individual letters relating to the administration of the estate as the costs of these disbursements are reflected in the hourly rate The charges stated above are subject to small annual increments and creditors will be advised of these with future circulars

#### Introduction to Lending Sources

The P&A Partnership may make referrals to P&A Lender Services Ltd ('PALS') being an associated company PALS and its authorised representatives are not authorised under the Financial Services and Markets Act 2000 or by the Financial Services Authority to provide specific investment advice but they may be able to introduce funding seeking parties ('FSP's') to one or more reputable lending services ('Lender')

In such circumstances where any party associated with the referral is subsequently subject to any formal insolvency procedure and the Partners of The P&A Partnership are appointed office holders in relation to any formal insolvency, then any arrangement fees or commissions or payments becoming due to PALS (if any) from any Lender in respect of the acquisition or future trading of the business and assets of the insolvent party, will be paid into the realisation fund in the formal insolvency for the benefit of creditors

Our Ref J163410/L/g/GDR/LM