

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A8H6ASRN

A05

30/10/2019

#221

COMPANIES HOUSE

1, please
at
house

1 Company details

Company number 0 4 1 6 0 8 5 3

Company name in full Evidently Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) David

Surname Rubin

3 Liquidator's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

4 Liquidator's name ①

Full forename(s) Asher

Surname Miller

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date

^d	3	^d	1	^m	0	^m	8	^y	2	^y	0	^y	1	^y	8
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To date

^d	3	^d	0	^m	0	^m	8	^y	2	^y	0	^y	1	^y	9
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7 Progress report

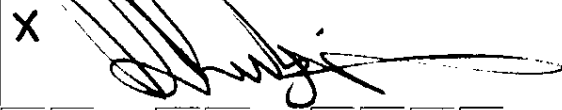
☐ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d	2	^d	9	^m	1	^m	0	^y	2	^y	0	^y	1	^y	9
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Michael Ginty**Company name **David Rubin & Partners**Address **Pearl Assurance House
319 Ballards Lane**Post town **London**

County/Region

Postcode **N 1 2 8 L Y**

Country

DX **Finchley 1**Telephone **020 8343 5900****Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

IN THE MATTER OF
EVIDENTLY LIMITED - IN LIQUIDATION

AND

THE INSOLVENCY ACT 1986

THE JOINT LIQUIDATORS' ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 30 AUGUST 2019

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- g. Creditors and distributions
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- j. Next report

APPENDICES

- A. Receipts and Payments Account from 31 August 2018 to 30 August 2019
- A. Cumulative Receipts and payments account from 31 August 2017 to 30 August 2019
- B. Time Analysis for the period 31 August 2018 to 30 August 2019
- B. Cumulative Time Analysis for the Period from 31 August 2017 to 30 August 2019

EVIDENTLY LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

Evidently Limited (in Liquidation) ("the Company") entered into Administration on 1 September 2016 pursuant to an application filed at the High Court of Justice, Chancery Division. The appointment was made by the Directors of the Company pursuant to paragraph 22 of Schedule B1 to the Insolvency Act 1986. The Company was subsequently moved into Liquidation on 31 August 2017, pursuant to paragraph 83(7)(a) of the Insolvency Act 1986.

This report provides an update on the progress in the Liquidation pursuant to Section 104A of the Insolvency Act 1986 for the year ended 30 August 2018.

Rule 18.3: Progress Report

(b) Statutory information

Company Name: Evidently Limited (in Liquidation)
Company Number: 04160853
Registered Office: Pearl Assurance House, 319 Ballards Lane, London N12 8LY
Former
Registered Office: Harella House, 90-98 Goswell Road, London EC1V 7DF
Trading address: Harella House, 90-98 Goswell Road, London EC1V 7DF

(c) Joint Liquidators' names and address

David Rubin, Office Holder Number: 2591 and Asher Miller, Office Holder Number: 9251 both of David Rubin & Partners and they may be contacted in writing at Pearl Assurance House, 319 Ballards Lane, London N12 8LY.

(d) Any changes in the Office Holders

I was appointed as Joint Liquidator of the Company on 31 August 2017. There has not been a change in the Office Holders since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

As detailed in the Joint Liquidators' last report to creditors, the Company's furniture and equipment, rent deposit, motor vehicles, IT peripherals, book debts and goodwill were all sold on a going concern basis, shortly after the Joint Administrators' appointment, to Newly Limited ("Newly"), an entity connected to the Company as they share a common shareholder and director, Daniel Zeff ("Mr Zeff").

The consideration was made up as follows:

	£
Furniture and equipment	5,250
Rent deposit	45,384
Motor vehicles	3,500
IT peripherals	21,581

EVIDENTLY LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Book debts	37,200
Goodwill	235,000
Total	347,915

The Asset Sale Agreement provided for an initial payment of £20,000 upon completion of the sale and the balance by 15 monthly instalments of £10,000. The sum of £120,000 was received in the Administration period, being the £20,000 completion payment and ten monthly instalments of £10,000. Accordingly, five monthly instalments of £10,000 totalling £50,000 remained to be paid in the Company's Liquidation. I can confirm that the Newly has paid the sum of £50,000 in full to the Liquidation estate.

The sum of £235,000 stipulated for goodwill in the above table includes a cap of £130,000 payable under an earn-out provision whereby Newly is to contribute 1.25% of its turnover for a period of three years from completion of the sale. After apportioning payments received to the other classes of assets (IT peripherals, furniture and equipment, motor vehicles, rent deposit) the sum of £93,169 was received for the goodwill during the Administration period and the sum of £50,000 in the Company's Liquidation, totalling £143,169. Accordingly, the balance of £91,831 remained to be paid in the Liquidation period. Newly's signed accounts for the year ended 30 September 2017 disclosed a turnover of £1,819,165 and accordingly, the sum of £22,739.56 was payable to the Company. I can confirm that Newly has paid this sum in full to the Liquidation estate.

The sum of £69,091.44 remained to be paid by Newly following its first payment for the Company's goodwill. It was envisaged that Newly's signed accounts would be reviewed in the following year and 1.25% of its turnover would be paid to the Company in respect of the goodwill consideration. On 14 December 2018, Newly entered into creditors' voluntary liquidation with third party insolvency practitioners being appointed as Joint Liquidators. A review of Newly's statement of affairs advises that there will not be a dividend to creditors and accordingly, no further realisations are anticipated from this source.

A Receipts and Payments Account for the period from 31 August 2017 to 30 August 2018 is attached at **Appendix A**, which is further explained below.

1. Receipts

1.1 Bank interest gross

The funds in hand are held in an interest bearing account with a High Street bank in the Office Holders' names as Joint Liquidators of the Company.

Interest earned on the funds in hand amounts to £853.19 of which £614.24 was received during the year under review.

2. Payments

2.1 Joint Liquidators' Remuneration

Remuneration drawn during the year amounted to £17,355. This is further explained in section **(f)** below.

EVIDENTLY LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(f) Joint Liquidators' Remuneration and Expenses

1. *Basis of remuneration*

A decision by correspondence was sought from the Company's creditors to agree the basis of the Joint Liquidators' remuneration with a deadline for votes on 26 October 2018. It was subsequently decided that the basis of my remuneration as Joint Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Joint Liquidators' remuneration was approved. These rates were set in November 2011 and have fallen substantially behind prevailing market rates for a business of our size and expertise. Accordingly, the rates were revised on 1 November 2018. Our current hourly chargeout rates exclusive of VAT, which are charged in units of six minutes, are as follows:

	Previous	Current
	£	£
Senior / Managing Partners	450	550
Partners / Office Holders	300 - 395	495
Managers / Senior Managers	250 - 295	350 - 395
Senior Administrators	180 - 220	220 - 295
Administrators	130 - 160	160 - 200
Cashiers and Assistants	120 - 160	150 - 295
Supports	110 - 120	120 - 150

Chargeout rates are normally reviewed annually and are adjusted to reflect such matters as inflation, increases in direct wage costs and changes to indirect costs such as Professional Indemnity Insurance.

2. *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. *Joint Liquidators' remuneration*

My time costs for the year under review are £9,262.50. This represents 33 hours and 18 minutes at an average rate of £278.15 per hour. I attach as **Appendix B** a Time Analysis which provides details of the activity during the year, analysed by staff grade.

EVIDENTLY LIMITED - IN LIQUIDATION
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I have also reviewed my cumulative time costs for the period from 31 August 2017 to 30 August 2019 and would report that my total time costs are £19,854 for 75 hours and 48 minutes, which equates to an average cost of £261.93 per hour. A breakdown of my time charges is also set out in **Appendix B**.

I initially provided creditors a fee estimate £48,687 for the Liquidation. The time costs incurred to-date is within the budget provided and I do not expect the estimate to be exceeded.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: E949@drco.co.uk PASSWORD: 949Eds*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following:

- i) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims.
- ii) Applying for the Joint Liquidators' bond, as required by the Insolvency Practitioners Regulations 2005.
- iii) Carrying out all necessary investigations, including the examination of the Company's statutory records and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- iv) Monitor the receipt of the deferred sale consideration payments from Newly.
- v) Review of Newly's annual accounts to confirm the sums due to the Company under the earn-out provision.
- vi) Reach a settlement agreement with Mr Zeff in regards to personal loans made from the Company's account.
- vii) Opening a designated bank account and dealing with the movement of funds.
- viii) Publishing the necessary statutory advertisement in respect of the Liquidation proceedings in the London Gazette.
- ix) Notifying HM Revenue and Customs that the Company is now in Liquidation.
- x) Review of Newly's Liquidation report and submit a claim in the Liquidation.
- xi) Commence the adjudication of the Company's creditors' claims in anticipation of declaring a dividend to the Company's creditors.

EVIDENTLY LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

4. *Joint Liquidators' expenses*

Expenses incurred in the Liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts

5. Creditors' rights – Rule 18.9 and Rule 18.34

- i) Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.
- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within eight weeks of receipt of this progress report make an application to the Court on the grounds that the basis fixed for the Liquidators' remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) (a) Secured creditors

The Company has no secured creditors.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts. The Company has no secured creditors and accordingly, the prescribed part provision does not apply.

(ii) Preferential creditors

Preferential claims in the sum of £12,302.57 were received in the Administration period. This represented a claim in the sum of £1,608.07 from the Redundancy Payments Office and the claims of five employees totalling £10,694.50.

On 28 November 2016, a first and final dividend was paid to the Company's preferential creditors in the sum of £12,302.57 representing a dividend payment of 100p in the £. Accordingly, preferential creditors were paid in full during the Administration period.

(iii) Unsecured creditors

As funds will become available for unsecured creditors, I have been requesting creditors to submit their claims so that they can be adjudicated. As at the date of this report, the claims of 51 creditors with a total value of £938,208.29 have been agreed. The claims of 41 creditors with an estimated total value of £208,583.28 have yet to be established. I am continuing to

EVIDENTLY LIMITED - IN LIQUIDATION

Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

adjudicate claims. A notice of intended dividend shall be sent to creditors in due course.

(h) Details of what remains to be done

I shall continue to adjudicate the Company's creditors' claims and issue a notice of intended dividend in due course.

(i) Other information of relevance to creditors:

Investigations

1. In accordance with the Company Directors Disqualification Act 1986, I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy (BEIS). As this is a confidential report, I am not able to disclose the contents.
2. Shortly after my appointment as Joint Liquidator, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations revealed personal payments made from the Company's account by Mr Zeff. Following negotiations, I reached a settlement agreement and Mr Zeff repaid the sum of £3,500 to the Liquidation estate.

(J) Next report

I am required to provide a further report on the progress of the Liquidation within two months of the end of the next anniversary of the Liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account which will conclude my administration of the Liquidation.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, David Stephenson, or his assistant, Massimo Zazzi at this office.

David Rubin & Partners

p.p **DAVID RUBIN - JOINT LIQUIDATOR**

DATE: 29 OCTOBER 2019

EVIDENTLY LIMITED - IN LIQUIDATION
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT
FROM 31 AUGUST 2017 TO 30 AUGUST 2019

	<u>Estimated</u> <u>to realise</u> £	<u>Realised</u> <u>to-date</u> £	<u>Y/E</u> <u>30-Aug-19</u> £
<u>Balance carried forward</u>			228,253.89
<u>Receipts</u>			
Balance Transferred from the Administration	151,765.28	151,765.28	-
Goodwill	141,831.00	72,739.56	-
Settlement with Company Director		3,500.00	-
Sundry Debt		69.78	-
VAT from Administration		24.92	-
Bank Interest		853.19	614.24
		<u>228,952.73</u>	<u>228,868.13</u>
<u>Payments</u>			
Joint Liquidators' Remuneration		17,355.00	17,355.00
Statutory Advertising		84.60	-
		<u>17,439.60</u>	<u>17,355.00</u>
<u>Receipts less Payments</u>		<u>211,513.13</u>	<u>211,513.13</u>
<u>Represented by:-</u>			
Balance at Bank		208,025.21	
VAT Receivable		3,487.92	
		<u>211,513.13</u>	

EVIDENTLY LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

JOINT LIQUIDATORS' TIME COSTS							
FOR THE PERIOD FROM 31 AUGUST 2018 TO 30 AUGUST 2019							
SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
Statutory filings,circulars, notices, etc.	00:00	00:12	00:18	00:00	00:30	115.00	230.00
Case planning, strategy & control	01:06	02:00	00:00	00:00	03:06	1,335.00	430.65
Taxation: PAYE, C/Tax & VAT	00:00	00:00	00:24	00:00	00:24	60.00	150.00
Accounting & Cashiering	00:00	00:00	00:00	02:06	02:06	400.00	190.48
Case reviews & Diary maintenance	00:00	00:00	00:42	00:00	00:42	105.00	150.00
Statutory reporting and compliance	00:18	19:06	01:00	00:00	20:24	4,935.00	241.91
Investigations							
Proceedings & recoveries	00:18	00:00	00:00	00:00	00:18	165.00	550.00
Realisation of assets							
Intangible assets	00:18	00:00	00:00	00:00	00:18	165.00	550.00
Tangible assets	00:00	01:00	00:30	00:00	01:30	425.00	283.33
Creditors							
Unsec'd Creditors: correspondence & claims	00:00	04:00	00:00	00:00	04:00	1,557.50	389.38
Total hours and costs	02:00	26:18	02:54	02:06	33:18	9,262.50	278.15

JOINT LIQUIDATORS' CUMULATIVE TIME COSTS FOR THE PERIOD FROM 31 AUGUST 2017 TO 30 AUGUST 2019 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00:00	00:00	01:00	00:00	01:00	151.00	151.00
Statutory filings, circulars, notices, etc.	00:00	03:12	05:06	00:00	08:18	1,741.00	209.76
Case planning, strategy & control	04:00	04:00	00:36	00:00	08:36	3,326.00	386.74
Taxation: PAYE, C/Tax & VAT	00:00	00:00	00:42	00:00	00:42	108.00	154.29
Accounting & Cashiering	00:00	00:00	00:24	06:06	06:30	1,060.00	163.08
Case reviews & Diary maintenance	00:00	00:30	06:54	00:00	07:24	1,214.50	164.12
Statutory reporting and compliance	00:18	19:06	01:00	00:00	20:24	4,935.00	241.91
Investigations							
OR: CDDA matters & correspondence	00:00	00:00	00:12	00:00	00:12	32.00	160.00
SIP2 assessment and financial review	00:00	00:00	01:00	00:00	01:00	160.00	160.00
Investigating antecedant transactions	00:00	03:00	00:00	00:00	03:00	885.00	295.00
Proceedings & recoveries	00:36	00:00	00:00	00:00	00:36	300.00	500.00
Realisation of assets							
Intangible assets	00:18	01:00	00:00	00:00	01:18	460.00	353.85
Tangible assets	00:00	02:30	01:06	00:00	03:36	963.50	267.64
Creditors							
Unsec'd Creditors: correspondence & claims	00:42	06:00	06:00	00:00	12:42	3,378.00	265.98
Preferential creditors & employees	00:00	00:00	00:30	00:00	00:30	80.00	160.00
Total hours and costs	05:54	39:18	24:30	06:06	75:48	19,854.00	261.93