

# 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

04713100

Name of Company

Fortiz Ltd ✓

I / We

Stephen Penn, 1st Floor, Block A, Loversall Court, Clayfields, Tickhill Road, Doncaster, South Yorkshire, DN4 8QG

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 03/08/2015 to 02/08/2016

Signed



Date

14/9/16

Absolute Recovery Limited  
1st Floor, Block A  
Loversall Court  
Clayfields  
Tickhill Road  
Doncaster  
DN4 8QG  
Ref FOR0327/SP/DJ/DH

SATURDAY



A18

\*A5FP3BMR\*  
17/09/2016  
COMPANIES HOUSE

#237

**Fortiz Ltd**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 03/08/2015 To 02/08/2016
ASSET REALISATIONS	
Cash at Bank	129 64
Bank Interest Gross	0 22
	<hr/> 129 86
	<hr/>
	<b>129 86</b>
	<hr/> <hr/>
REPRESENTED BY	
Bank 1 Current	129 86
	<hr/> 129 86
	<hr/> <hr/>

Note

# **Liquidator's Annual Progress Report to Creditors & Members**

**Fortiz Ltd - In  
Liquidation**

**14 September 2016**

## **CONTENTS**

- 1 Introduction and Statutory Information
- 2 Realisation of Assets
- 3 Investigations
- 4 Creditors
- 5 Liquidator's Remuneration
- 6 Liquidator's Expenses
- 7 Creditors' Rights
- 8 Next Report

## **APPENDICES**

- A Receipts and Payments Account from 3 August 2015 to 2 August 2016
- B Time Analysis for the period 3 August 2015 to 2 August 2016
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

## 1 Introduction and Statutory Information

- 1.1 I, Stephen Penn of Absolute Recovery Limited, 1st Floor, Block A, Loversall Court, Clayfields, Tickhill Road, Doncaster, DN4 8QG, was appointed as Liquidator of Fortiz Ltd (the Company) on 3 August 2015. This report provides an update on the progress in the liquidation for the year ended 2 August 2016.
- 1.2 The principal trading address of the Company was Abbotsbury House, 156 Upper New Walk, Leicester, LE1 7QA. The business traded under the name Nursing Relief Agency.
- 1.3 The registered office of the Company has been changed to First Floor, Block A, Loversall Court, Clayfields, Tickhill Road, Doncaster, DN4 8QG and its registered number is 04713100.

## 2 Realisation of Assets

- 2.1 Attached at Appendix A is my Receipts and Payments Account for the period from 3 August 2015 to 2 August 2016.

### 2.2 Asset Summary

Asset Description	Estimated to realise £	Realised to date £
Cash at Bank	Nil	129 64
Bank Interest Gross	Nil	0 22

### Notes

For the purpose of the statement of affairs, the director advised that the company had no assets. Realisations have however been made as detailed above and summarised below.

#### Cash at Bank

As at the date of my appointment as liquidator the company bank account had a credit balance of £129 64 which was paid to me.

#### Bank Interest Gross

I operate an interest bearing current account for the purpose of the liquidation and to date interest totalling £0 22 has accrued.

## 3 Investigations

- 3.1 My initial opinion of the assignment was that it would generally be of a straight forward nature with the majority of early administration focused upon statutory duties.
- 3.2 Based simply on the Statement of Affairs I considered that it was unlikely a dividend would be payable to creditors.
- 3.3 I considered that I had the staff and resources to properly administer the liquidation and appointed a case manager and a case administrator to deal with the day to day administration.

- 3 4 I did not believe it was necessary to consult creditors generally with regard to any strategy
- 3 5 The company did not operate a pension scheme
- 3 6 Although no employees were detailed in the Statement of Affairs many have come to light during the course of the liquidation and a number of claims have been made to the Redundancy Payments Service to recover outstanding wages, notice pay, holiday pay and service permitting, redundancy pay. Significant time has been spent dealing with claims of employees largely due to the number involved and that during the first month of the liquidation, the Redundancy Payments Service implemented an electronic only system resulting in some applications being submitted by paper, some electronically and some by both methods where crossover occurred
- 3 7 I implemented a redirection upon the company's mail for the first 3 months of the liquidation. Generally, this is a useful tool to identify undisclosed assets and unknown creditors
- 3 8 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 Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents
- 3 9 Shortly after appointment, I made an initial assessment of whether there could be any other 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 the following
- 3 10 The company had 4 directors at liquidation, Esther Munangi, Terrence Munangi, Trevor Munangi and Tapiwa Munangi. No other individuals acted as a director during the 3-year period leading up to liquidation. Only 1 of these 4 individuals have completed and returned to me a questionnaire regarding their activities as a director of the company
- 3 11 I have been provided with some company books and records however these do not seem to represent the records I would expect to have for a company that had been incorporated for over 12 years
- 3 12 The company was incorporated on 26 March 2003 and the last set of accounts filed at Companies House are for the period ending 31 March 2014. I am not aware of any management accounts for any later period
- 3 13 In addition I have received directly from the bank, bank statements for the 12-month period leading up to liquidation
- 3 14 Having undertaken a thorough review of these documents I identified several matters that required further investigation as follows
- Potential misfeasance transactions
  - Potential associated party transactions
  - Potential transactions at an undervalue
  - Potential preference payment transactions
- I have requested each of the 4 directors to provide me with an explanation for these matters the answers to which were not evident in the company books and records I have been provided with. 1 of the 4 directors on behalf of all of the directors generally has provided me with further information which I need to analyse further to see if this satisfies my enquiries or in the alternative if there is a case to answer with a view to recovering monies for the benefit of creditors
- 3 15 Two County Court Judgements were lodged against the company prior to liquidation, dated 26 June 2012 and 21 October 2013 in the sum of £902 and £237 respectively. These remain unpaid

- 3 16 My last correspondence which was sent on 4 August 2015 to all known creditors requested creditors to complete a questionnaire notifying me of any complaints or information they had regarding the company which could possibly assist me with my investigations. Questionnaires have been received in this regard which has assisted me.

#### **4 Creditors**

##### **4 1 Secured Creditors**

The company granted to Bibby Financial Services Limited a debenture dated 3 November 2011 giving a fixed and floating charge over the assets of the company. The debenture was registered on 12 November 2011. The amount outstanding at the date of my appointment was unknown and no claim has been lodged in the liquidation.

The company granted to Bibby Financial Services Limited a further debenture dated 3 January 2008 giving a fixed and floating charge over the assets of the company. The debenture was registered on 4 January 2008. The amount outstanding at the date of my appointment was unknown and no claim has been lodged in the liquidation.

The company also granted to Barclays Bank plc a debenture dated 11 December 2009 giving a fixed and floating charge over the assets of the company. The debenture was registered on 12 December 2009. The amount outstanding at the date of my appointment was unknown and no claim has been lodged in the liquidation although it is noted that the company bank account was in credit as at the date of my appointment.

No formal adjudication of secured creditor claims has been undertaken at this juncture and no payments have been made to secured creditors.

##### **Dividend in Relation to the Prescribed Part**

The liquidator must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the company has granted a floating charge to a creditor after 15 September 2003. The charges detailed above would give rise to a prescribed part distribution if they are adjudicated to be due and payable.

##### **4 2 Preferential Creditors**

The Insolvency Service has lodged a preferential claim in the liquidation of £8,886.76 in respect of payments made to former employees of the company.

##### **4 3 Unsecured Creditors**

I have received claims totalling £311,305.88 from 7 creditors and I have yet to receive claims from 23 further creditors including former employees who may still have unsecured claims against the company in the event that their claims to the Redundancy Payments Service exceeded specified parameters. A formal adjudication of all claims will be undertaken in the event that a dividend is payable.

At this juncture there are insufficient funds for a dividend to be paid to any class of creditor.

#### **5 Liquidator's Remuneration**

- 5 1 The creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.

5 2 My time costs for the period from 3 August 2015 to 2 August 2016 are £12,852 50 This represents 71 10 hours at an average rate of £180 77 per hour Attached is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation To date no monies have been drawn in this regard A breakdown of my firm's current charge-out rates by staff grade is below

5 3 A brief description of the things done by the liquidator under the main time activity codes is below

Administration (including statutory reporting)

- Preparing and issuing documentation dealing with the formalities of appointment once the liquidator's appointment has been made
- Statutory notifications to creditors and other parties such as the Registrar of Companies and advertising the liquidator's appointment in the London Gazette
- Dealing with all routine correspondence in the liquidation including to banks, accountants, solicitors etc
- Maintaining physical case files and electronic case details on internal case management systems
- Periodic case reviews and case strategy planning
- Convening and holding creditors' meetings post the liquidator's appointment, as and when necessary
- Maintaining and managing the liquidator's cashbook and bank account for the insolvent estate
- Ensuring statutory lodgements and tax lodgement obligations are met
- Preparing statutory periodic progress reports to creditors which are required annually and prior to closure of the liquidation

Creditors (claims & distributions)

- Dealing with creditor correspondence and telephone call from creditors during the case
- Maintaining creditor information on internal case management systems
- Reviewing and adjudicating on proofs of debt received from creditors (as required and prior to any distribution of dividends)
- Calculating and distributing dividends to creditors (funds permitting)

Investigations

- Corresponding with the directors as required over the Company's affairs
- Proportionate investigations into the Company's affairs to determine whether there are any matters which may lead to further recoveries for the liquidation estate and whether further investigations may be appropriate in order to comply with Statement of Insolvency Practice 2
- The review and storage of the Company's books and records
- Undertaking necessary investigations and review work in order to comply with reporting obligations under the Company Directors Disqualification Act 1986



- 5.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from my firm's website using the address above
- 5.5 Since the date of appointment the following Category 1 and 2 disbursements have been incurred

Disbursement	Total amount incurred to date	Amount incurred in this period	Amount paid to date	Amount outstanding
Statutory Advertising	176 00	176 00	Nil	176 00
Computer Services - Insolv	110 00	110 00	Nil	110 00
Re-direction of Mail	160 00	160 00	Nil	160 00
Specific Bond	36 00	36 00	Nil	36 00
Postage	38 15	38 15	Nil	38 15
<b>Total</b>	<b>520 15</b>	<b>520 15</b>	<b>Nil</b>	<b>520 15</b>

## 6 Liquidator's Expenses

The following table outlines the expenses that have been incurred to date since my appointment as Liquidator and during the period of this report

Supplier/Service Provider	Nature of expense incurred	Total amount incurred to date	Amount incurred in this period	Amount paid to date	Amount outstanding
None	N/A	Nil	Nil	Nil	Nil

## 7 Creditors' rights

- 7.1 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 provide further information about his remuneration or expenses which have been itemised in this progress report
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

## 8 Next Report

- 8.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Stephen Penn  
Liquidator  
Dated as at 2 August 2016

# ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

## PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

### 1 Policy

Detailed below is Absolute Recovery Limited's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

#### 1 1 *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, Administrator and/or an Assistant. 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 are not proposing to utilise the services of any sub-contractors in this case

#### 1 2 *Professional advisors*

On this assignment we have used no professional advisors

#### 1 2 *Disbursements*

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. On this case Category 2 disbursements have been incurred as set out at paragraph 5.5 of my first annual report above

### 2 Charge-out rates

A schedule of Absolute Recovery Limited's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There have been no material increases in charge-out rates since that date

# Current Rates

Description	(Per hour) £
Partner	350
Manager	225 - 275
Other Senior Professional	150 - 175
Assistants & Support Staff	100

Please note that this firm records its time in minimum units of 6 minutes

**Fortiz Ltd  
(In Liquidation)**

**Liquidator's Abstract Of Receipts And Payments  
To 02 August 2016**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>Total (£)</b>
Cash at Bank		129 64
Bank Interest Gross		0 22
		<hr/>
		129 86
		<hr/>
<b>PAYMENTS</b>		
		<hr/>
		0 00
		<hr/>
Net Receipts/(Payments)		129 86
		<hr/>
<b>MADE UP AS FOLLOWS</b>		
Bank 1 Current		129 86
		<hr/>
		129 86
		<hr/>
Note - VAT is not recoverable		

# Time Entry - SIP9 Time & Cost Summary

FOR0327 - Fortiz Ltd  
Project Code POST  
From 03/08/2015 To 02/08/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	2 10	1 80	3 00	12 50	19 40	2 840 00	146 39
Case Specific Matters	0 00	0 00	0 80	0 00	0 80	120 00	150 00
Creditors	0 00	19 70	1 00	0 20	20 90	4 602 50	220 22
Investigations	0 80	9 30	17 30	2 10	29 50	5 177 50	175 51
Realisation of Assets	0 00	0 50	0 00	0 00	0 50	112 50	225 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	<b>2 90</b>	<b>31 30</b>	<b>22 10</b>	<b>14 80</b>	<b>71 10</b>	<b>12,852 50</b>	<b>180 77</b>
<b>Total Fees Claimed</b>						<b>0 00</b>	
<b>Total Disbursements Claimed</b>						<b>0 00</b>	