

Liquidator's Progress Report

S.192

Pursuant to Sections 92A, 104A and 192 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04784678

Name of Company

(a) **Century 3370 Plc (formerly Fuse 8 Plc)**

(a) Insert full name of company

(b) Insert name(s) and address(es) of liquidator(s)

I/We (b) Nicholas Edward Reed
Begbies Traynor (Central) LLP
9th Floor
Bond Court
Leeds
LS1 2JZ

Julian Nigel Richard Pitts
Begbies Traynor (Central) LLP
9th Floor
Bond Court
Leeds
LS1 2JZ

the Liquidators of the company attach a copy of my/our Progress Report statement of receipts and payments under Section 192 of the Insolvency Act 1986

The Progress Report statement of receipts and payments covers the period from 28 March 2014 to 27 March 2015

Dated

27/04/15

Signed

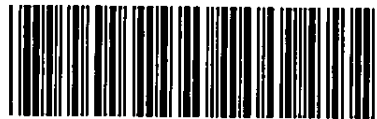
Joint Liquidator

Name in
BLOCK LETTERS

NICHOLAS EDWARD REED

Presenter's name,
address and reference
(if any)

CE068MVL
Century 3370 Plc (formerly Fuse 8 Plc)
Nicholas Edward Reed
Begbies Traynor (Central) LLP
9th Floor
Bond Court
Leeds
LS1 2JZ

For Official Use	
Liquidation Section	Post Room
	
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COMPANIES HOUSE	

Century 3370 Plc (formerly Fuse 8 Plc) (In Members' Voluntary Liquidation)

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

Period: 28 March 2014 to 27 March 2015

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"	Century 3370 Plc (formerly Fuse 8 Plc) (In Members' Voluntary Liquidation)
"the liquidators", "we", "our" and "us"	Nicholas Reed of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ and Julian Pitts of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ
"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

Company registered number	04784678
Company registered office	9th Floor, Bond Court, Leeds, LS1 2JZ
Former trading address	3370 Century Way, Thorpe Arch, Leeds, LS15 8ZB

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	28 March 2014
Date of liquidators' appointment	28 March 2014
Changes in liquidator (if any)	None

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 28 March 2014 to 27 March 2015

RECEIPTS

Contribution to costs

The sum of £7,570 has been received from Fuse 8 Group Limited, a subsidiary company, as a contribution to the costs of the liquidation

Debtors

As stated in the Declaration of Solvency, the sum of £50,000 was due to the Company from OP22 Limited in respect of the debt outstanding following an agreement being entered into by the Company and OP22 Limited, whereby OP22 Limited purchased the entire share capital of Fuse 8 Group Limited

The balance of the purchase price remained outstanding from OP22 Limited to the Company upon its liquidation

Fuse 8 are also owed monies from the Company in respect of a loan provided and therefore are not only a debtor of the Company but a creditor

The Company and Fuse 8 have therefore entered into an agreement whereby the balances owing under the share purchase and the amount owed by the Company to Fuse 8 in respect of the loan be off set against each other and a deed of waiver has been entered into by both parties. Therefore no further monies, debts, liabilities are owed to both parties

5. CREDITORS

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

As set out above, the only creditor outstanding was the debt owed to Fuse 8 and this has been paid in full following set off being applied.

6. DISTRIBUTIONS TO MEMBERS

There will be no distribution to members. We are now seeking clearance from HM Revenue & Customs that no amounts are due in respect of PAYE, Tax and VAT, following which we will proceed to close our file.

7. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP, in attending to matters arising in the liquidation subject to us having agreed that our remuneration shall not exceed the sum of £6,000 in circumstances where the value of time given by us and our staff in attending to matters arising in the winding up exceeds this sum.

We are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which were sent to the members of the Company when written resolutions, including the special resolution that the Company be wound up voluntarily, were circulated and which is attached at Appendix 2 of this report.

Our time costs for the period from 28 March 2014 to 27 March 2015 amount to £11,734 which represents 52 hours at an average rate of £222 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period from 28 March 2014 to 27 March 2015
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

We have drawn fees in the sum of £4,000 plus VAT plus disbursements of £309.

The sum of £2,000 plus VAT has also been drawn in respect of our pre appointment time costs.

8. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

9. ASSETS THAT REMAIN TO BE REALISED

There are no assets that remain to be realised

10. MEMBERS' RIGHTS

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 we provide further information about our 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 as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner



Nick Reed
Joint Liquidator

Dated 27 April 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 28 March 2014 to 27 March 2015

Century 3370 Plc (formerly Fuse 8 Plc)
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 27/03/2015

Dec of Sol £		£	£
	ASSET REALISATIONS		
5,000 00	Contribution to costs	NIL	
50,000 00	OP22 Limited	50,000 00	
	Contribution to costs	7,200 00	
			57,200 00
	COST OF REALISATIONS		
	Pre appointment fees	2,000 00	
	Office Holders Fees	4,000 00	
(50,000 00)	Fuse 8 Group Limited	NIL	
			(6,000 00)
	UNSECURED CREDITORS		
	Fuse 8 Group Limited	50,000 00	
			(50,000 00)
5,000 00			1,200.00
	REPRESENTED BY		
	Vat Receivable		1,200 00
			1,200.00

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 28 March 2014 to 27 March 2015

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor 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 creditors 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 guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor 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 guidance² indicates 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 INSOLVENT 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 INSOLVENT 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 and 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 expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(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 £100 (London £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 to,

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

- In addition to the 2 Categories above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements. In this instance no payment has been made in this regard
- (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*
- 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 Leeds office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

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**
There have been no complexities in this case, except for the tax issues which the accountants have dealt with
- 1 3 **Exceptional responsibilities**
There are no exceptional responsibilities
- 1 4 **The office holders' effectiveness**
We have dealt with assets and liabilities of the Company and carried out all statutory duties within a timely manner. We are now processing to close our file
- 1 5 **Nature and value of property dealt with by the office holders'**
The Company's property has now been dealt with and full details are contained in the main body of a report
- 1 6 **Anticipated return to members**
Whilst all creditors have been paid in full, there will be no distribution to members
- 1 7 **Time costs analysis**
An analysis of time costs incurred between 28 March 2014 and 27 March 2015 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

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only
- 1 8 **The views of the members**
Members were notified of the liquidators' appointment in an initial letter following our appointment and were invited to provide any comments, views and information that would assist us in carrying out our duties. They are again invited to bring any matters to our attention
- 1 9 **Approval of fees**
A resolution was passed at the initial general meeting of shareholders held on 28 March 2014 approving our remuneration on a time cost basis and not exceeding the sum of £6,000
- 1 10 **Approval of Expenses and Disbursements**
A resolution was passed at the initial meeting of shareholders held on 28 March 2014 approving our expenses and disbursements
- 1 11 **Category 1 Disbursements**
In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 1 disbursements and disbursements have been charged to the case since the date of my appointment

Type and purpose	Amount £
Bond	55
Statutory Advertising	254
TOTAL	309

1 12 Other professionals employed & their costs

A firm of accounts, Sagars LLP, was employed to assist with the Company's tax affairs. Their costs have now been discharged by the subsidiary company fuse 8.

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.

[illegible]

STATEMENT OF LIQUIDATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Storage	Re-Store	21 12	0 00	21 12