

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

04915147

Name of Company

Unitbase co uk Limited

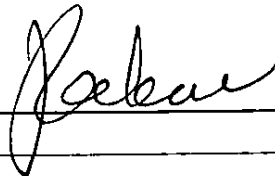
I / We

Simon Renshaw ACA MIPA MABRP, Langley House, Park Road, London, N2 8EY

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 19/09/2014 to 18/09/2015

Signed



Date

10/11/15

AABRS Limited
Langley House
Park Road
London
N2 8EY

Ref U0082/SR/JL/MG/MA/NS

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Liquidator's Annual Progress Report to Members & Creditors

**Unitbase.co.uk Limited
In Liquidation
10 November 2015**

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1 Introduction and Statutory Information

- 1.1 I, Simon Renshaw of AABRS Limited, Langley House, Park Road, London, N2 8EY, was appointed as Liquidator of Unitbase.co.uk Limited (the Company) on 19 September 2014. This report provides an update on the progress in the liquidation for the year ended 18 September 2015.
- 1.2 The principal trading address of the Company was Wimbledon Studios, 1 Deer Park Road, London, SW19 3TL.
- 1.3 The registered office of the Company has been changed to Langley House, Park Road, East Finchley, London, N2 8EY and its registered number is 04915147.

2 Realisation of Assets

- 2.1 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 18 September 2015, together with a comparison to the Director's Statement of Affairs values. This provides details of the remuneration charged and expenses incurred and paid by the Liquidator during the period of this report.

- 2.2 Further information on the Liquidator's remuneration can be found in section 7 below.

- 2.3 The Company's assets have been realised as follows:-

2.4 Cash Held By Third Party

- 2.4.1. The Director's Statement of Affairs indicated that cash held by a third party was estimated to realise £3,214.36. This amount was realised in full.

2.5 Corporation Tax Refund

- 2.5.1. The Director's Statement of Affairs did not make a provision for refunds. However, a Corporation Tax refund of £4,346, together with interest thereon of £37.03 was received into the estate. No further refunds are anticipated.

2.6 Website

- 2.6.1. The Director's Statement of Affairs indicated that realisations in respect of the Company's website were uncertain
- 2.6.2. Following my appointment, I instructed an independent firm of valuers, Robson Kay & Co Ltd, to undertake a valuation of the website. Robson Kay & Co Ltd indicated that whilst the website might realise an amount anywhere between £0 to £10,000, it was likely to be towards the lower end of the spectrum and as such there was a risk that the costs of marketing and effecting a sale might exceed the benefit to the estate.
- 2.6.3. Therefore, as no willing purchasers came forward, it was not considered commercially viable to pursue a sale of the website and no realisations were achieved

2.7 Overdrawn Director's Loan Account – Mr Piltz

- 2.7.1. The Director's Statement of Affairs indicated that Mr Piltz had an overdrawn Director's Loan Account balance of £1,139, realisations in respect of which were uncertain.
- 2.7.2. Following my appointment, I wrote to Mr Piltz to request repayment of the loan account, but no response was received. As the cost of bringing recovery action in respect of the amount outstanding would likely exceed the return for the estate, it was not considered appropriate to pursue Mr Piltz any further.

2.8 Overdrawn Director's Loan Account – Mr Read

- 2.8.1. The Director's Statement of Affairs indicated that Mr Read had an overdrawn Director's Loan Account balance of £4,958, realisations in respect of which were uncertain.
- 2.8.2. As part of my investigations into the Company's affairs, I undertook a review of the SAGE records for the period from the last accounts to the date of liquidation. These indicated that the overdrawn balance of Mr Read's loan account had increased to £11,968.
- 2.8.3. I am currently in discussions with Mr Read regarding repayment of the loan account and hope to provide creditors with an update on the position in my next progress report.

3 Unrealised Assets

- 3.1 As set out in sections 2.6 and 2.7 above, no realisations have been achieved in respect of the Company's website or the loan account due from Mr Piltz.
- 3.2 As set out in section 2.8 above, recovery efforts in respect of Mr Read's loan account are ongoing.
- 3.3 All other assets included within the Director's Statement of Affairs have been realised and there are no known additional unrealised assets.

4 Duty as Liquidator

- 4.1 I have carried out the following duties in my capacity as liquidator:-
 - 4.1.1 Advertised in the London Gazette the fact that the Company is now in creditors' voluntary liquidation.
 - 4.1.2. Sent to the Registrar of Companies, a copy of the Statement of Affairs, together with a notice of my appointment and special resolution to wind up the Company.
 - 4.1.3. Sent to all known proving non-preferential creditors a copy of the Report and Statement of Affairs that were presented at the meeting of creditors
 - 4.1.4. Contacted the Company's Bankers in order to close all accounts held by the Company and request that they confirm certain information necessary for my investigation.

- 4.1.5. Advised HM Revenue & Customs of the liquidation and requested details of VAT, Corporation Tax and PAYE information relating to the Company.
- 4.1.6. Co-ordinated the collection of the overdrawn Directors' Loan Accounts.
- 4.1.7. Performed monthly bank reconciliations on the designated liquidation account.
- 4.1.8. Instructed agents to deal with the sale of assets.
- 4.1.9. Dealt with the investigation as detailed below.
- 4.1.10. Circulated annual progress reports to all known proving non-preferential creditors'.

5 Investigations

- 5.1 In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents.
- 5.2 Shortly after appointment, 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 the following issues:

i) As set out in section 2.8 above, additional movements on Mr Read's loan account were identified from the Company's SAGE records, resulting in an increase in the overdrawn balance. I am continuing to pursue Mr Read in this respect.

ii) Per the financial statements for the year ended 31 May 2012, the Company had a negative profit and loss of balance of (£7,288). At the year ended 31 May 2013, the Company had a negative profit and loss balance of (£76,899). This indicates that the Company was trading whilst balance sheet insolvent, potentially giving rise to a right of action for wrongful trading under Section 214 of the Insolvency Act 1986. However, such a claim is likely to be countered by the following:

1. The deficiency per the Statement of Affairs was £55,720 and claims received total £32,119, which indicate that the position of the Company and that of its creditors improved in the period after the last accounts.

2. The Director, Mr Read, provided a personal guarantee to the Company's bankers.

Therefore, prima facie it does not appear that there are sufficient grounds to pursue a wrongful trading action. However, any creditors who wish me to undertake further investigation in this regard and would like to discuss the position in more detail, including funding requirements, are invited to contact me by **Friday, 4 December 2015**.

5.3 My investigation included the following work:-

- 5.3.1. A review of the Company books and records and comparing it to the company search.
 - 5.3.2. Examination of the financial records (last accounts and movements since) to ensure movements on assets and any unusual payments are accounted for.
 - 5.3.3. Consideration of the trading position in light of any material deficiency since the last financial statement.
 - 5.3.4. A review of transactions with associated companies or connected persons, ensuring that all transactions are at arm's length.
 - 5.3.5. Checking the movements on Director's loan accounts or other accounts where they have given a guarantee.
 - 5.3.6. A review of all information supplied by creditors, who have expressed particular concern over the Company's dealings or to the Directors' conduct.
- 5.4 No opportunities to pursue cash recoveries arose from my investigations aside from those detailed above.

6 Creditors

Secured Creditors

- 6.1 The Company did not grant any fixed and floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors.

Preferential Creditors

- 6.2 A summary of preferential claims received is set out below. No claims have been adjudicated and will only be agreed should a dividend become payable to the preferential creditors in this matter. Based on current figures, I anticipate that the dividend prospects for preferential creditors will be dependent on realisations made in respect of the overdrawn Director's Loan Account

Preferential claim	Claim Received (£)	Statement of Affairs Claim (£)	Dividend paid (p in the £1)
Employee claims (Total number of claims)	£24 62	£Nil	None
Department for Business Innovation & Skills (BIS)	£2,078 61	£Nil	None

Unsecured Creditors

- 6.3 I have received claims totalling £30,016.68 from 7 creditors. I have yet to receive claims from 10 creditors whose debts total £34,637.09 as per the Directors' Statement of Affairs. No claims have yet been agreed and will only be

adjudicated should a dividend become payable to the unsecured creditors in this matter.

- 6.4 Based on current figures, I estimate that there are insufficient funds to make a distribution to the unsecured creditors.

7 Liquidator's Remuneration

- 7.1 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.

- 7.2 My time costs for the period from 19 September 2014 until 18 September 2015 are £6,828.50. This represents 32.70 hours at an average rate of £208.82 per hour. Attached as Appendix B 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.

- 7.3 I would confirm that in this period, the amount of £6,700.00 plus VAT has been drawn on account of my time costs.

- 7.4 With reference to Appendix B, included within the work performed under 'Administration and Planning' are various statutory filing duties and obligations; case planning and strategy, and certain cashiering. Work contained within 'Investigations' include the time spent on CDDA and SIP2 reporting. Included within the category of 'Realisation of Assets' is work performed in recovering tangible and intangible assets; payment of costs; banking of all realisations; and insurance and Bonding. Finally, included within 'Creditors' has been time spent in dealing with creditors, including preparation of progress reports; dealing with creditors' claims and liaising with preferential creditors

- 7.5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.aabrs.com/resources/creditor-guides.

- 7.6 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.

8 Liquidator's Expenses

- 8.1 A statement of the expenses incurred by the Liquidator during the period of the report is as follows:

Charged By	Brief Description of Services Provided	Total amount charged £	Amount paid £
Robson Kay & Co Ltd	Valuation of website	£300 00	£300 00
Courts Advertising Ltd	Statutory Advertising	£180 00	£180 00
AUA Insolvency Risk Services Ltd	Bonding	£36 00	£36 00

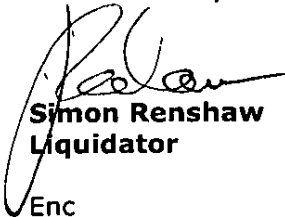
9 Creditors' rights

- 9.1 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.
- 9.2 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 the circumstances, the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

10 Next Report

- 10.1 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 this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors.

Yours faithfully


Simon Renshaw
Liquidator
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Unitbase.co.uk Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 19/09/2014 To 18/09/2015	From 19/09/2014 To 18/09/2015
	ASSET REALISATIONS		
Uncertain	Mr Piltz - Overdrawn Loan Account	NIL	NIL
Uncertain	Mr Read - Overdrawn Loan Account	NIL	NIL
Uncertain	Website	NIL	NIL
	CT refund	4,346 00	4,346 00
	Interest on CT Refund	37 03	37 03
3,214 36	Cash held by third party	3,214 36	3,214 36
	Bank Interest Gross	8 72	8 72
		<u>7,606 11</u>	<u>7,606 11</u>
	COST OF REALISATIONS		
	Specific Bond	36 00	36 00
	Liquidators Fees	6,700 00	6,700 00
	Agents/Valuers Fees	250 00	250 00
	Statutory Advertising	150 00	150 00
		<u>(7,136 00)</u>	<u>(7,136 00)</u>
	UNSECURED CREDITORS		
(45,592 87)	Trade & Expense Creditors	NIL	NIL
(6,210 14)	Banks/Institutions	NIL	NIL
(2,177 81)	HM Revenue & Customs (PAYE)	NIL	NIL
(408 10)	HM Revenue & Customs (VAT)	NIL	NIL
(4,346 00)	HM Revenue & Customs (Corporation)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(200 00)	Ordinary Shares	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>	<u>NIL</u>
<u>(55,720.56)</u>		<u><u>470.11</u></u>	<u><u>470.11</u></u>
	REPRESENTED BY		
	VAT Receivable		160 00
	Bank 1 Deposit		310 11
			<u><u>470.11</u></u>

Simon Renshaw ACA MIPA MABRP
Liquidator

Time Entry - SIP9 Time & Cost Summary

U0082 - Unitbase co uk Limited
All Post Appointment Project Codes
From 19/09/2014 To 18/09/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	1.40	2.80	3.40	4.10	11.70	2,099.00	179.40
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.80	0.10	1.20	0.90	3.00	712.50	237.50
Investigations	0.80	0.60	5.80	0.80	8.00	1,593.00	199.13
Realisations of Assets	2.80	0.60	4.40	2.20	10.00	2,424.00	242.40
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	5.80	4.10	14.80	8.00	32.70	6,828.50	208.82
Total Fees Claimed						6,700.00	
Total Disbursements Claimed						36.00	

Appendix C

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

1 Policy

Detailed below is AABRS Limited 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 the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Robson Kay & Co Ltd (valuation and disposal advice)	Fixed Fee

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 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.

We would confirm that this firm does not seek to charge any Category 2 disbursements during this reporting period.

2 Charge-out rates

A schedule of AABRS Limited charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved and at that time of subsequent reports. A schedule of current rates is shown below.

A schedule of AABRS Limited charge-out rates effective from 1 April 2015 is as follows:

Role	(per hour)
Director	£450
Manager	£190 - £225
Other Senior Professionals	£170 - £190
Assistants & Support Staff	£60 - £170

There have been no material increases in charge-out rates since the commencement of the liquidation.

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