

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

04974399

Name of Company

Lifeline Fire and Security Limited

I / We

Gemma Louise Roberts, The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS

Lisa Jane Hogg, The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS

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 30/12/2014 to 29/12/2015

Signed

Date

29/02/16

Wilson Field Limited
The Manor House
260 Ecclesall Road South
Sheffield
S11 9PS

Ref LIFE02C/GLR/LJH/KH/SM

THURSDAY



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COMPANIES HOUSE

Lifeline Fire and Security Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 30/12/2014 To 29/12/2015	From 30/12/2013 To 29/12/2015
ASSET REALISATIONS		
Bank Interest Net of Tax	0 90	1 32
Funds from Administration	NIL	379 45
	<u>0 90</u>	<u>380 77</u>
COST OF REALISATIONS		
Administrators fees	200 00	200 00
Software Licence Fee	76 58	76 58
	<u>(276 58)</u>	<u>(276.58)</u>
	<u>(275.68)</u>	<u>104.19</u>
REPRESENTED BY		
Vat Receivable		55 32
Bank 1 Current		48 87
		<u>104.19</u>



 Gemma Louise Roberts
 Joint Liquidator

In the matter of Lifeline Fire and Security Limited ("the Company")

And in the matter of The Insolvency Act 1986

Joint Liquidators' report to members and creditors

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1. Introduction

This report to members and creditors covers the period 30 December 2014 to 29 December 2015, ("the Period") and attached at Appendix A is a R&P account for the Period. This also details a cumulative R&P account for the period 30 December 2013 to 29 December 2015.

This report is prepared on an exception basis detailing only material changes from the last report.

2. Company and Joint Liquidators' details

Company name	Lifeline Fire and Security Limited
Registered address	C/o Wilson Field Limited The Manor House 260 Ecclesall Road South Sheffield S11 9PS
Trading address	Unit B5 Spectrum Business Centre Anthonys Way Medway City Estate Rochester Kent ME12 4NP
Other trading names of the Company	None
Company number	04974399
Names of Joint Liquidators	Gemma Louise Roberts and Lisa Jane Hogg
Address of Joint Liquidators	Wilson Field Limited The Manor House 260 Ecclesall Road South Sheffield S11 9PS
Date of Appointment	30 December 2013

3. Progress during the Period

The attached R&P account is generally self-explanatory, but I would report specifically as follows.

Please note that all funds are held in a separate trust account set up in the Company's name.

During the period, I have received £1 in relation to bank interest net of tax.

Assets

There have been no asset realisations received, during the period covered by this report.

4. Investigations

I have submitted a report on the conduct of the directors of the Company to the Department for Business Innovation & Skills in accordance with the Company Directors Disqualification Act 1986. As this is a confidential report, I am unable to disclose its contents.

Shortly after my 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 advise of any concerns they may have.

As stated within the progress report dated 18 February 2015, my investigations were ongoing in relation to unauthorised payments made to director, Jose Hernandez ("JH") totalling £151,729 and as such, I engaged the services of HLW KeebleHawson ("HLW") to pursue this further on my behalf. However, the solicitor instructed to pursue this matter moved to MD Law Solicitors ("MD Law"), resulting with this case being transferred to MD Law.

MD Law continued to pursue JH in relation to these payments and was advised that the payments were in relation to the repayment of expenses and mileage expenses that he paid personally from his own bank account during the period of January 2010 to September 2012 and provided documentary evidence to support this.

An analysis of these payments has been carried out, from which I have been able to reconcile £90,024 of the £98,026 which relate to expenses paid by JH. However, I have not been provided with any evidence to verify June 2012 expenses, but I have no reason to believe that this would be any different to the above.

The director also advised that his salary entitlement was £36,000, however the CVA proposal stated that his annual salary was £30,000. The payroll records provided do not reflect this, as only eight months payroll records have been provided. As a result of this, I have taken into consideration the director's salary entitlement over the nineteen month period at £2,500 per month giving a total salary of £47,500.

JH advised that the balance of £6,203 related to mileage claims of which no evidence has been provided to support this.

However, I do not consider it to be in the best interests of creditors to pursue JH for the balance of these funds as the costs in doing so would outweigh any benefit in the liquidation estate.

I can therefore confirm that my investigations are now complete.

5 Assets that remain to be realised

There are no further assets that remain to be realised.

6. Creditors and distributions

Secured creditors

Partnership Finance Limited ("Partnership") have advised that they have successfully recovered their advances as of 19 June 2013 and as such the Company has no remaining indebtedness to them.

Preferential creditors

There have been no preferential claims received to date and none are expected as all employees were transferred as part of the pre-pack sale achieved whilst the Company was in Administration.

Prescribed Part

Within the Insolvency Act 1986 ("the Act") there are provisions for a fund, called the Prescribed Part, to be set aside for distribution to the unsecured creditors in accordance with Section 176A of the Act. The fund is calculated on the net realisations of assets subject to a floating charge contained in a debenture created on or after 15 September 2003. The fund is calculated as being 50% of the first £10,000 of net property and 20% thereafter, subject to a maximum fund of £600,000.

As previously advised, Partnership have successfully recovered their advances as of 19 June 2013 and therefore, the prescribed part provisions do not apply.

Unsecured creditors

4 unsecured claims have been received to date totalling £573,892. 33 creditors who have not yet lodged a claim in the Liquidation.

Claims have not yet been formally agreed.

There are insufficient funds at present to enable a distribution to any class of creditor.

7. Joint Liquidators' remuneration

In accordance with Rule 4.127(5A) of the Insolvency Rules 1986, the Joint Liquidators' remuneration is treated as being fixed on the same basis as in the preceding Administration, that being on a time cost basis. The chargeable time for the Period totals £12,498 comprising of 41 hours at an average charge out rate of £307.

Attached at Appendix B is a time analysis which provides details of time properly spent by me and my staff in managing the Liquidation during the Period, broken down by staff grade and activity. Also attached as Appendix B is a cumulative time analysis for the period 30 December 2013 to 29 December 2015 which provides details of my time costs since appointment.

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

I have not drawn any funds on account of remuneration due to insufficient funds. However, an amount of £200 has been drawn relating to Administration fees.

A copy of 'A guide to liquidator's fees' is available at the following website link, <https://www.r3.org.uk/what-we-do/publications/professional/fees>. A hard copy is available on request.

A schedule of our charge-out rates was issued to creditors at the time the basis of the Joint Liquidators' remuneration was approved. Attached at Appendix C are details of this firm's charge-out rates which have been applied with effect from 1 November 2014.

Since the date of the last progress report no Category 2 disbursements have been taken.

8. Joint Liquidators' expenses

The following expenses have been during the period covered by the report

Supplier/Service provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount outstanding £
Turnkey Solutions Limited	Software Licence Fee	£153 16	£76 58	£38 29
Total		£153 16	£76.58	£38.29

The outstanding cost of the software licence fee has been met by Wilson Field Limited

9. Creditors' rights

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

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

10. Conclusion

I am now in a position to take steps to close the liquidation and draft a final report This will be issued to creditors shortly

Yours faithfully



G L Roberts
Joint Liquidator

Lifeline Fire and Security Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

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Bank 1 Current		48 87
		<u>104.19</u>



Gemma Louise Roberts
Joint Liquidator

Lifeline Fire and Security Limited - In Liquidation

Appendix B

Time analysis in accordance with SIP 9

Time Entry - Detailed SIP9 Time & Cost Summary

LIFE02C - Lifeline Fire and Security Limited
 From 30/12/2014 To 29/12/2015
 Project Code POST

Classification of Work Function	Directors & IP's	Manager & Senior Administrator	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA Cashing	0.90	0.80	0.50	1.20	3.40	1 071.50	315.15
ADCR Case Reviews	2.50	0.00	3.70	0.00	6.20	2 249.00	362.74
ADDI Directors/Client	0.00	0.00	0.30	0.00	0.30	69.00	230.00
ADGA File Maintenance	0.00	0.00	0.00	1.10	1.10	143.00	130.00
ADSC Statutory and Compliance	2.60	0.00	3.30	0.00	5.90	2 191.00	371.36
Admin and Planning	6.00	0.80	7.80	2.30	16.90	5,723.50	338.67
CRTV Tax and VAT	0.00	0.00	0.20	0.00	0.20	54.00	270.00
Creditors	0.00	0.00	0.20	0.00	0.20	54.00	270.00
INAT Antecedent Transactions	0.70	0.00	0.00	0.00	0.70	350.00	500.00
INRE Investigation and Review	1.00	0.00	21.80	0.00	22.80	6 320.00	277.19
Investigations	1.70	0.00	21.80	0.00	23.50	6,670.00	283.83
REIS Identifying Securing and Insuring	0.10	0.00	0.00	0.00	0.10	50.00	500.00
Realisation of Assets	0.10	0.00	0.00	0.00	0.10	50.00	500.00
Total Hours	7.80	0.80	29.80	2.30	40.70	12,497.50	307.06

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

LIFE02C - Lifeline Fire and Security Limited
From 30/12/2013 To 29/12/2015
Project Code POST

Classification of Work Function	Directors & IP/Senior Administrator	Manager & Administrator	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
ADCA Cashing	1.90	0.80	0.50	3.80	7.00	1,940.00	277.14	7.00	1,940.00
ADCR Case Reviews	3.60	0.40	7.20	0.00	11.20	3,487.00	311.34	11.20	3,487.00
ADDI Directors/Client	0.00	0.00	0.30	0.00	0.30	230.00	766.67	0.30	230.00
ADGA File Maintenance	0.00	0.00	0.10	3.20	3.30	460.00	139.39	3.30	460.00
ADSC Statutory and Compliance	2.90	0.00	5.40	0.00	8.30	2,661.00	320.60	8.30	2,661.00
Admin and Planning	8.40	1.20	13.50	7.00	30.10	8,617.00	286.28	30.10	8,617.00
CRCO Communications with Creditors	0.00	0.00	0.20	0.00	0.20	34.00	170.00	0.20	34.00
CREM Employees	0.00	0.00	0.10	0.00	0.10	17.00	170.00	0.10	17.00
CRTV Tax and VAT	0.00	0.00	0.40	0.00	0.40	88.00	220.00	0.40	88.00
Creditors	0.00	0.00	0.70	0.00	0.70	139.00	198.57	0.70	139.00
INAT Antecedent Transactions	0.70	0.00	0.00	0.00	0.70	350.00	500.00	0.70	350.00
INDR CDDA Report	0.80	0.00	0.00	0.00	0.80	320.00	400.00	0.80	320.00
INRE Investigation and Review	4.80	0.00	44.90	0.00	49.70	12,185.50	245.18	49.70	12,185.50
Investigations	6.30	0.00	44.90	0.00	51.20	12,855.50	251.08	51.20	12,855.50
REDC Debt Collection	0.00	0.00	0.00	2.90	2.90	524.00	180.69	2.90	524.00
REIS Identifying Securing and Insuring	0.10	0.00	0.00	0.00	0.10	50.00	500.00	0.10	50.00
REPB Property Business and Asset Sales	0.00	0.00	0.10	0.00	0.10	17.00	170.00	0.10	17.00
Realisation of Assets	0.10	0.00	0.10	2.90	3.10	591.00	190.65	3.10	591.00
Total Hours	14.80	1.20	59.20	9.90	85.10	22,202.50	260.90	85.10	22,202.50

Appendix C

Additional information in relation to Liquidators' fees pursuant to SIP 9 including Wilson Field Limited's charge-out rates and disbursements policy

Detailed below is Wilson Field Limited's policy in relation to

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

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 an IP/Director, Assistant Manager, Senior Administrator and/or Administrator and Secretarial and/or Support staff. 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 sub-contractors in this case

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
MD Law (legal advice)	Hourly rate and disbursements or 20% of sums realised if settled before proceedings issued, whichever is higher*

** Creditors should note that as at 18 November 2015 the fee structure of MD Law was revised from the previous fee basis detailed in the last report*

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

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

Details of Category 2 disbursements that may have been incurred are listed on the next page. Any Category 2 disbursements drawn from the case during the Period are detailed in the main body of the report.

Charge-out rates

A schedule of Wilson Field Limited's charge-out rates are detailed on the next page.

WILSON FIELD LIMITED CHARGE OUT RATES AND DISBURSEMENT POLICY

In accordance with Statement of Insolvency Practice 9 ("SIP 9") covering fees and disbursements, we are required to disclose to you our policy for recovering non-specific disbursements, and the charge out rates for the various grades of staff who may be involved in this case

Remuneration

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed below

	Hourly charge out rate (£)	
Grade	01/02/2014 to 31/10/2014	01/11/2014 onwards
Director/Insolvency Practitioner	350-500	500
Manager	260-400	400
Assistant Manager	N/A	395
Team Leader	N/A	390
Senior Administrator	240	330
Administrator (1-5 years experience)	120-240	230-300
Secretarial & Support	100-130	130

All time is recorded in 6 minute units

Category 1 Disbursements

In accordance with SIP 9, these do not require the approval of creditors and are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party These may include advertising, room hire, insurance, travel expenses etc

Category 2 Disbursements

In accordance with SIP 9, these require the prior approval of creditors

Category 2 disbursements are charged in accordance with the liquidator's prevailing recovery policy at the time the disbursement is incurred The rates applicable from 1 November 2014 are detailed below

Disbursement	Charge	
Search fees	£10 per document	On appointment
Document Upload Centre charge	£150	On appointment
Room Hire where meeting held at Wilson Field office	£100	On appointment (where appropriate)
Mileage	45p per mile	On appointment (where appropriate)
Postage, stationery, photocopying etc	£10 per member and creditor per year	On appointment and annually
Insolvency software fee	£150 per year	On appointment and annually
Storage of books and records	£80 per box per year	Once records are logged and then annually

In common with all professional firms, our charge out and disbursements rates increase from time to time We reserve the right to change the rates without prior notice to you Any change will be reported in the next statutory report to creditors