

5253705

Liquidator's Annual Progress Report to Creditors



**Montpelier Tax Consultants
(Northampton) Limited**

- In Compulsory Liquidation

2 July 2012

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1 Introduction and Statutory Information

- 1 1 I, Ian M Defty of Kingston Smith & Partners LLP, 105 St Peters Street, St Albans, Herts, AL1 3EJ was appointed as Liquidator of Montpelier Tax Consultants (Northampton) Limited (the **Company**) on 18 May 2011 following the presentation of a petition for the compulsory winding up of the Company made on 22 November 2010 in the Northampton County Court under court reference number 9531 of 2010. This report provides an update on the progress in the liquidation for the year ended 17 May 2012.
- 1 2 The trading address of the Company was 20 Market Place, Long Buckby, Northampton, NN6 7RR.
- 1 3 The registered office of the Company has been changed to 105 St Peters Street, St Albans, Herts, AL1 3EJ and its registered number is 05253705.

2 Realisation of Assets

- 2 1 There are no known assets in the estate.

3 Investigations

- 3 1 As you may be aware, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the liquidator to submit a report or return on the directors' conduct to the Department for Business Innovation and Skills, however where matters are brought to the liquidator's attention these are reported as appropriate to the Official Receiver for further consideration.
- 3 2 I interviewed the director to discuss the trading activities of the Company and obtain his views on why the Company failed.
- 3 3 I have taken possession of limited books and records from the Company trading premises which have been reviewed and analysed. The director has advised that full records are held by the parent Company in the Isle of Man and I am in the process of retrieving these.
- 3 4 I have been in contact with HM Revenue & Customs to obtain information regarding the petition debt which has been reviewed and analysed.

3 5 I have contacted the parent Company in the Isle of Man to obtain the remaining accounting records and request an interview with the group chairman to discuss the events behind the insolvency

3 6 I have instructed solicitors to consider any claims against individuals or third parties in order to realise monies for creditors

4 Creditors

Secured Creditors

4 1 There are no secured creditors in the liquidation

Preferential Creditors

4 2 As per the directors statement of affairs, preferential claims totalled £1,100 as detailed in the table below

Preferential claim	Agreed claim £	Statement of Affairs claim £	Dividend paid p to the £
Employee claims	£0	£1,100	nil

4 3 I have received no supporting documentation from the employee or the Redundancy Payments Office in respect of the claim

Unsecured Creditors

4 4 I have received claims totalling £208,272 from 1 creditor I have yet to receive a claim from 1 creditor whose debts total £85,000 as per the Official Receiver's report on the Company

4 5 At present, there is no prospect of a dividend to unsecured creditors

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 18 May 2011 are £13,424 20 This represents 60 17 hours at an average rate of £223 10 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 To date, no fees have been drawn

- 5 3 As you can see from Appendix B the majority of time has been recorded in the investigations section
- 5 4 A significant amount of time has also been spent in communications with HM Revenue & Customs, the director and the parent Company in the Isle of Man to collect information regarding the trading activity of the Company A review of the accounting records has also been undertaken leading to potential claims being identified
- 5 5 Time was also incurred in liaising with our solicitors Clarke Willmott to discuss potential claims for the recovery of funds for creditors
- 5 6 The remaining time has been spread across the activities of administration & planning, and creditors, depending on the task completed
- 5 7 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from

www.kspllp.co.uk/ksandp/forms/creditors+guide+to+fees+for+insolvencies

- 5 8 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
- 5 9 Since the 18 May 2011 no Category 2 disbursements have been drawn

6 Liquidator's Expenses

The following expenses have been incurred since my appointment as Liquidator

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Marsh	Specific Bond	10 00	0	10 00
TMP Reynell	Statutory Advertising	65 87	0	65 87
JG Collections	File storage and retrieval	16 80	0	16 80

Various	Train fares	31 70	0	31 70
1 st Class	Transcription Services	116 62	0	116 62
Various	Travel costs	32 50	0	32 50

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 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


IAN M DEFTY
 Liquidator

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**Montpelier Tax Consultants (Northampton) Limited
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 18/05/2011 To 17/05/2012 £	From 18/05/2011 To 17/05/2012 £
RECEIPTS			
Petitioners Deposit		1,000 00	1,000 00
		<u>1,000 00</u>	<u>1,000 00</u>
PAYMENTS			
O R Remuneration		2,235 00	2,235 00
Bank Charges		72 00	72 00
		<u>2,307 00</u>	<u>2,307 00</u>
BALANCE - 17 May 2012			<u><u>(1,307 00)</u></u>

Note



Ian Defty
Liquidator

Montpelier Tax Consultants (Northampton) Limited

Summary of Fees and Expenses

From 18/05/2011 to 17/05/2012

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
Administration & Planning	1 33	1 92	16 75	20.00	4,001 91	200 10
Case Planning/Information	1 08		6 08	7 17	1,481 99	206 79
Post Appointment VAT & CTax	0 08	0 17	0 58	0 83	193 76	232 51
Set-up Administration/IPS/Initial	0 08	0 75	4 00	4 83	906 41	187 53
Statutory filing with Court, Companies	0 08	0 08	0 25	0 42	100 09	240 22
General Admin/Billing/Filing		0 25	5 00	5 25	955 33	181 97
Strategy reviews/Checklists/Diary		0 67		0 67	200 50	300 75
Dealing with company/Debtor re			0 83	0 83	163 83	196 60
Investigations	0 08	11 83	23 42	35 33	8,272 95	234 14
Strategy, planning, meetings and	0 08	6 67	14 83	21 58	5,025 85	232 86
Information capture/initial		3 75	2 58	6 33	1,855 94	293 04
Retrieval, review & analysis of debtors		1 33	6 00	7 33	1,365 99	186 27
SIP 2 review & CDDA reporting		0 08		0 08	25 17	302 04
Realisation of Assets	0 08	0 33	0 75	1 17	294 18	252 15
Tangible Assets - plant, motors,	0 08			0 08	57 92	695 04
Debtors & Claims		0 25	0 75	1 00	211 09	211 09
Identification, securing, insuring &		0 08		0 08	25 17	302 04
Creditors		0 83	2 83	3 67	855 16	233 23
Correspondence/Preparation of		0 83	2 67	3 50	813 50	232 43
Claims/Proofs			0 17	0 17	41 66	249 96
Grand Total	1 50	14 92	43 75	60.17	13,424 20	

Notes

1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.

2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.

Disbursements

Category 1 Disbursements

273 49

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

Photocopies	4 80
Postage	2 20
	7 00

Appendix C

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

1 Policy

Detailed below is Kingston Smith & Partners LLP'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 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
Clarke Willmott (legal advice)	CFA basis
Marsh (insurance)	Scale rate

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

13 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 the following Category 2 disbursements have been incurred since appointment

Type and purpose	£
Photocopying	4 80
Postage	2 20

2 Charge-out rates

A schedule of Kingston Smith & Partners LLP charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. Below are details of this firm's charge out rates which have been applied with effect from 1 May 2012

	Per Hour £
Partner	433/695
Senior Manager	314/550
Manager	260/495
Supervisor	238/350
Senior Administrator	222
Administrator	167/260
Junior Administrator	140
Experienced Cashier	238
Cashier	167
Support	105