

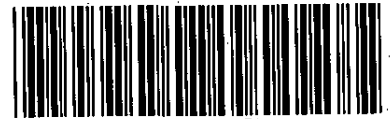
LIQ03

Notice of progress report in voluntary winding up



Companies House

MONDAY



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19/02/2018

#277

COMPANIES HOUSE

1 Company details

Company number 05391589
Company name in full PCS Group Services Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Andrew John
Surname Whelan

3 Liquidator's address

Building name/number Unit 2 Spinnaker Court
Street 1C Becketts Place
Post town Hampton Wick
County/Region Kingston upon Thames
Postcode KT14EQ
Country

4 Liquidator's name ①

Full forename(s)
Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 6	^m 0	^m 1	^y 2	^y 0	^y 1	^y 7
To date	^d 2	^d 5	^m 0	^m 1	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X  X

Signature date	^d 1	^d 6	^m 0	^m 2	^y 2	^y 0	^y 1	^y 8
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LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Andrew John Whelan
Company name	WSM Marks Bloom LLP
Address	Unit 2 Spinnaker Court
	1C Becketts Place
Post town	Hampton Wick
County/Region	Kingston upon Thames
Postcode	K T 1 4 E Q
Country	
DX	
Telephone	020 8939 8240

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

PCS GROUP SERVICES LIMITED (IN LIQUIDATION)

ANNUAL PROGRESS REPORT FOR THE YEAR TO 25 JANUARY 2018

16 FEBRUARY 2018

CONTENTS

- 1 Introduction and Statutory Information
- 2 Progress of the Liquidation
- 3 Creditors
- 4 Liquidator's Remuneration
- 5 Creditors' Rights
- 6 Next Report

ATTACHMENTS

Receipts and Payments Account from 26 January 2017 to 25 January 2018, together with a cumulative Receipts and Payments Account from 26 January 2016 to 25 January 2018

Time summary from 17 July 2017 to 25 January 2018

Additional Information in relation to Liquidator's Fees, Expenses & Disbursements

1 Introduction and Statutory Information

- 1.1 I, Andrew John Whelan of WSM Marks Bloom LLP, Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames KT1 4EQ was appointed as Liquidator of PCS Group Services Limited ('the Company') on 26 January 2016. This progress report covers the second year of the liquidation, from 26 January 2017 to 25 January 2018 ('the Period') and should be read in conjunction with my previous annual progress report.
- 1.2 The principal trading address of the Company was Kingston House, Collingbourne Kingston, Marlborough SN8 3RZ. The principal trading activity was training and motivational activities. The business traded under the Company's name.
- 1.3 The registered office of the Company has been changed during the Period from 60/62 Old London Road, Kingston upon Thames KT2 6QZ to Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames KT1 4EQ and its registered number is 05391589.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2.2 Attached is my receipts and payments account for the Period, together with a cumulative receipts and payments account for the duration of the liquidation.

Administration

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area were outlined to creditors in my fees information/estimate issued on 28 June 2017.
- 2.4 As noted in my fees information/estimate, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Director's loan account

- 2.6 The director's statement of affairs showed a realisable overdrawn director's loan account totalling £71,502.
- 2.7 In my previous annual progress report I advised the director, James Ralph, had paid £1,000 per month from March to December 2016 against this loan, a total of £10,000. A balance remained outstanding of £61,502.
- 2.8 Mr Ralph failed to make any further payments during the first half of the Period, and did not make contact. I therefore issued a statutory demand for payment of £61,502 on 28 June 2017.

- 2.9 Mr Ralph responded by forwarding a proposal dated 16 February 2017 (but not received), offering £30,751 on 1 October 2017 and £30,751 on 31 December 2017. I accepted this proposal for payment.
- 2.10 Shortly prior to the first payment falling due, Mr Ralph contacted me to advise how could not make the payment on 1 October, but instead proposed to make full payment of the outstanding balance on 21 November 2017. This proposal was again accepted.
- 2.11 Mr Ralph again missed his proposed date for payment, and requested a further extension to the end of the first week of January 2018. I once again accepted, but insisted this was a final deadline.
- 2.12 No payment was received by the end of the first week of January 2018. Mr Ralph advised that he had been forced to rush to South Africa due to a family emergency, but while he advised the funds to settle this debt were available, they were not and still have not been paid.
- 2.13 In addition to the balance of £61,502 acknowledged as due, I advised in my first annual progress report that I had written to Mr Ralph detailing additional payments to him, identified as part of my investigations into the affairs of the Company, that may have potentially increased his director's loan. No response has been received to justify these payments, which total approximately £360,000.
- 2.14 Following the end of the Period, and subsequent to the failure of Mr Ralph to make any further payment by what had been stated to be the final deadline, I have sought to find an alternative way to realise assets for the benefit of creditors in the liquidation, bearing in mind the limited funds available to pursue recovery action.
- 2.15 I have reached an agreement with Manolete Partners plc ('Manolete') to purchase all claims for the overdrawn director's loan account owed by Mr Ralph. The agreement has resulted in £10,000 being received from Manolete to date, which will be shown on my next receipts and payments account. It also provides that the liquidation will receive 50% of the first £200,000 of net recoveries after Manolete's costs and including the £10,000 already paid, and 60% of any net recoveries thereafter.
- 2.16 The only other asset realised in the Period was a small amount of bank interest gross.
- 2.17 It is anticipated that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to unsecured creditors.

Creditors (claims and distributions)

- 2.18 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.19 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal. In this case there are no preferential creditors.

- 2.20 The above work will not necessarily bring any financial benefit to creditors generally; however, a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

Investigations

- 2.21 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ('CDDA 1986') and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. This work may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 2.22 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.
- 2.23 Since my last progress report, no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

3 Creditors

Secured & Preferential Creditors

- 3.1 There are no secured or preferential creditors.

Unsecured Creditors

- 3.2 I have received claims totalling £181,332.60 from 4 creditors. This compares to a total estimated unsecured creditor figure of £300,445.25 as per the statement of affairs. All known creditors have submitted claims.
- 3.3 The difference in claims is due to the claim of HM Revenue & Customs ('HMRC') not including any amount in respect of outstanding VAT. The director's statement of affairs had estimated there to be a VAT liability of £116,234. I queried this discrepancy further with HMRC, but they have specifically confirmed that they do not intend to submit a claim in respect of VAT.
- 3.4 A dividend to unsecured creditors is entirely dependent on the level of recovery of the director's loan account; however, I presently anticipate a dividend will ultimately be possible.

4 Liquidator's Remuneration

- 4.1 The basis of the Liquidator's remuneration was agreed by creditors by way of decisions by correspondence on 17 July 2017 as a set amount of £18,000 plus VAT for work completed to the date of the resolution, and on the basis of the time properly spent by him and his staff in managing the Liquidation from that date, estimated to amount to £23,360.

- 4.2 I attach a time analysis from 17 July 2017 to the end of the Period, which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the liquidation since that date. Time costs chargeable to date are £1,072.00, representing 3.70 hours at an average rate of £289.73 per hour.
- 4.3 To date, I have not drawn any remuneration in respect of either fees basis.
- 4.4 Also attached is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements, including details of the expenses incurred on the case during the Period.
- 4.5 At the date of this report, I confirm that my fees estimate for the liquidation remains unchanged.
- 4.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://wsm.co.uk/insolvency/creditors-guides/>.

5 Creditors' Rights

- 5.1 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.
- 5.2 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.

6 Next Report

- 6.1 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 account.



A J Whelan
Liquidator
16 February 2018

PCS Group Services Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 26/01/2017 To 25/01/2018 £	From 26/01/2016 To 25/01/2018 £
	ASSET REALISATIONS		
NIL	Furniture & Equipment	NIL	NIL
1,000.00	Cash at Bank	NIL	1,000.00
71,502.00	Director's Loan Account	NIL	10,000.00
	Bank Interest Gross	5.53	7.89
		5.53	11,007.89
	COST OF REALISATIONS		
	Specific Bond	NIL	250.00
	Preparation of S. of A.	NIL	5,000.00
	Statutory Advertising	NIL	220.00
		NIL	(5,470.00)
	UNSECURED CREDITORS		
(92,617.72)	Trade & Expense Creditors	NIL	NIL
(25,300.05)	Barclays Bank plc	NIL	NIL
(66,293.48)	HM Revenue & Customs - Corporation	NIL	NIL
(116,234.00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(228,043.25)		5.53	5,537.89
	REPRESENTED BY		
	Fixed Current A/c		5,537.89
			5,537.89

WSM MARKS BLOOM LLP
TIME & CHARGEOUT SUMMARIES

From 17 July 2017 to 25 January 2018

PCS Group Services Limited

HOURS							
Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0.60	0.40	0.60	0.00	1.60	484.00	302.50
Realisation of Assets	0.00	1.20	0.00	0.00	1.20	336.00	280.00
Creditors	0.00	0.90	0.00	0.00	0.90	252.00	280.00
Total Fees Claimed £	252.00	700.00	120.00	0.00		1,072.00	
Total Hours	0.60	2.50	0.60	0.00	3.70		289.73
Average Rate £	420.00	280.00	200.00	0.00			

ADDITIONAL INFORMATION IN RELATION TO THE LIQUIDATOR'S FEES, EXPENSES & DISBURSEMENTS

Detailed below is WSM Marks Bloom LLP's policy in relation to staff allocation and the use of subcontractors, professional advisors and disbursements.

Staff allocation and the use of subcontractors

The 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, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We have not utilised the services of any subcontractors in this case.

Professional advisors

During the Period we have not used any professional advisors.

Liquidator's Expenses & 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, or document storage. This firm does not seek to charge any Category 2 disbursements.

The following expenses have been incurred during the Period, and have been paid from the funds in the liquidation account. These are comparable with the costs estimate provided with my fees information circulated to creditors on 28 June 2017:

	Cost Estimate £	Paid during the Period £	Total paid to date £	Anticipated further cost £	Total anticipated cost £
Legal fees	2,000.00	Nil	Nil	2,000.00	2,000.00
Land registry searches	6.00	Nil	Nil	6.00	6.00
Statutory advertising	312.00	Nil	220.00	92.00	312.00
Specific penalty bond	250.00	Nil	250.00	Nil	250.00
Stationery & Postage	30.00	Nil	Nil	30.00	30.00

Charge-out Rates

A schedule of current charge-out rates (effective from January 2018) is detailed below.

Grade of staff	Charge-out rates per hour	Previous rates from January 2017
Senior Partner & Licensed Appointment Taker	£440	£420
Partner & Licensed Appointment Taker	£360	£340
Non-Appointment Taking Licence Holders	£300	£280
Other Professional Staff	£220	£200
Assistants and Support Staff	£140	£120

The minimum time unit is 6 minutes.