

Liquidator's Progress Report**Pursuant to section 92A, 104A, and 192 of the
Insolvency Act 1986****S. 192**

To the Registrar of Companies

Company Number

05499846

Name of Company

(a) Insert full name
of company

(a) LEADPOINT (UK) LTD - IN LIQUIDATION

(b) Insert full name(s)
and address(es)I (b) Asher Miller of David Rubin & Partners, Pearl Assurance House, 319
Ballards Lane, London, N12 8LYthe liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986The Progress Report covers the period from 27 November 2013 to 26
November 2014

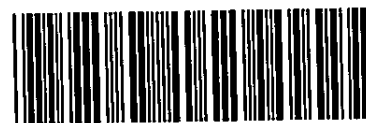
Signed



Date 26/01/2015

Presenter's name,
address and reference
(if any)David Rubin & Partners
Pearl Assurance House
319 Ballards Lane
London N12 8LYTel 020 8343 5900
DX Number 57368 DX Exchange Finchley 1

SATURDAY



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COMPANIES HOUSE

IN THE MATTER OF
LEADPOINT (UK) LTD - IN LIQUIDATION

AND
THE INSOLVENCY ACT 1986

**THE LIQUIDATOR'S FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
RULE 4.49C OF THE INSOLVENCY RULES 1986
FOR THE YEAR ENDED 26 NOVEMBER 2014**

LEADPOINT (UK) LTD - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

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(a) Introduction

The Company was placed into liquidation by a Special Resolution of the members followed by a meeting of the creditors convened under section 98 of the Insolvency Act 1986 on 27 November 2013. This report provides an update on the progress in the liquidation for the year ended 26 November 2014.

Rule 4.49C-CVL(5): Progress Report

(b) Statutory information

Company name	Leadpoint (UK) Ltd
Registered office	Pearl Assurance House, 319 Ballards Lane, London, N12 8LY
Company number	05499846
Trading address	Fourth Floor, Joel House, 17 - 21 Garrick Street, London, WC2E 9AX

(c) Liquidator's name and address:

Asher Miller of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY was appointed Liquidator of the Company on 27 November 2013.

(d) Basis of Liquidator's remuneration

Basis of remuneration

- 1.1 At the first meeting of creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.
- 1.2 In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows -

	£
Senior / Managing Partners	450
Partners/Office holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

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Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance

1.3 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, Senior Administrator and two Administrators. 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 subcontractors in this case.

(e) Liquidator's remuneration

My time costs for the year under review are £78,154. This represents 326 hours at an average rate of £239.74 per hour. I attach as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

To date £35,000 has been paid on account of these time costs.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME 1893 lea@sharesrvr.com PASSWORD ael398L*

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following -

- i) Dealing with unsecured creditors' enquiries both by correspondence and by telephone and noting their claims
- ii) Processing the claim of the Company's former employees and correspondence with the Redundancy Payments Office
- iii) Calculating the Insolvency Practitioner's bond and submitting the bordereau in accordance with Section 390 of the Act. Reviewing and updating when necessary the level of bond required
- iv) Extensive review of licences, database, platforms and contracts to establish saleability of the Company's business and assets
- v) Correspondence with ES Group regarding the valuation and sale of the Company's assets
- vi) Discussions with prospective purchasers following enquiries to purchase the business

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- vii) Correspondence with Sylvester Amiel Lewin & Horne LLP ("SALH") regarding the assignment of the Company lease at Fourth Floor, Joel House, 17 - 21 Garrick Street, London, discussed at (g) below
- viii) Dealing with all matters relating to book debts and, including correspondence and telephone attendances with the debtors
- ix) Preparing for submission to HM Revenue & Customs ("HMRC") forms VAT 769, VAT 426 and VAT 833
- x) Review of the assessment documentation surrounding the quantum of HMRC's claim in respect of VAT
- xi) Extensive investigations into the various intercompany trading and transactions
- xii) Correspondence with The Royal Bank of Scotland Plc ("RBS") to request the closure of the Company's bank account and for the closing balance to be remitted to the Liquidation estate
- xiii) Carrying out all necessary investigations, including the examination of the company's books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the directors pursuant to the requirements of the Company Directors Disqualification Act 1986
- xiv) Cashiering time in relation to the allocation of funds, payments and bank reconciliations
- xv) Settling expenses incurred in the liquidation

(f) Liquidator's expenses

Expenses incurred in the liquidation are explained at (g) below in my comments on the Receipts and Payments Accounts

(g) Details of progress for the period under review and cumulatively:

Following my appointment, I had received several inquiries from parties interested in acquiring the assets of the Company. I instructed an independent firm of agents and valuers, namely ES Group to provide a report and valuation of the business and assets of the Company which I received shortly after my appointment. ES Group were of the view that the business was unlikely to have any worthwhile realisable value. As creditors may recall from the Director's Report presented at the first creditors' meeting, the Company's licence agreement to use the online technology platform required to trade leads was revoked with effect from 5 October 2013. The Company was also unsuccessful in its efforts to find an alternative platform provider. It was apparent that without the use of such a platform, the Company had no ability to trade. Moreover, the Company had very little in the way of either tangible or intangible assets.

Once a sale of the business as a going concern had been deemed unviable, I was only left with the option to seek a buyer for the Company's office furniture and equipment which consisted of second hand laptops, PCs and a few desks. I received an offer of £1,000 from

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Simply Media Publishing LLC for these items which I accepted following the advice received from ES Group

A company with common directorship, Simply Media Publishing Limited ("SMP"), expressed an interest to acquiring the lease of the Company's trading premises. The report prepared by ES Group showed that there was no worthwhile premium value attaching to the Company's leasehold interest. However, an assignment of the lease would ensure that the landlord would not have a claim for future rents or dilapidations in the liquidation. Also, under the terms of the assignment SMP undertook to cover any claim that the landlord had in respect of outstanding rents.

With all liabilities of the landlord, both present and future, being discharged I was able to obtain the release of the rental deposit as discussed further at 1.1 below. Furthermore, as I envisage there being funds available for unsecured creditors, the removal of this claim will allow the Company's remaining creditors to receive a larger share of the distribution pot.

1. Receipts

1.1 Rent deposit

At the date of liquidation the Company's landlord held a deposit in the sum of £10,012.80. As discussed above, following the assignment of the lease to SMP, this sum was released.

1.2 Office furniture and equipment

As discussed above, the Company's office furniture and equipment was sold to Simply Media Publishing LLC for £1,000 plus VAT. This has been received in full and I do not expect any further realisation in this respect.

1.3 Book debts

The Estimated Statement of Affairs showed the Company to have outstanding book debts in the sum of £23,960 with an uncertain realisable value. Upon a review of the Company's books and records following my appointment, it became apparent that the majority of these debts related to historic debts which had not been written off on the Company's ledger.

The sum of £577.31 has been recovered from the collectable book debts. No further realisations are expected.

1.4 Cash at bank

The Estimated Statement of Affairs showed the Company to have cash at bank of £113,500. Upon a review of the Company's bank statements, the actual balance on account at the date of liquidation was £109,962.74 and the sum of £109,608.13 was received shortly after my appointment from the Company's account with RBS.

1.5 Cash held on appointment

The amount of £12,000 was held by my firm, prior to my appointment as Liquidator, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed below.

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1.6 Bank interest

Interest earned on the funds in hand amounts to £30 34

2. Payments

2.1 Statement of affairs fee

This fee relates to the assistance given to the Directors of the Company in notifying and convening the members and creditors meetings under section 98 of the Insolvency Act 1986, and the preparation of the statement of affairs and Directors' report to creditors. This fee was approved at the first meeting of creditors.

2.2 Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meetings of the members and creditors, the notice of the appointment of the Liquidator and to creditors to submit their claims in the liquidation.

2.3 Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

2.4 Meeting costs

The first meetings of members and creditors were held at my offices for which my firm charged a nominal rental of £150 plus VAT for the provisions of the boardroom and ancillary facilities.

2.5 Carriage and archiving

My firm uses its own personnel and vehicle for collection of books and records for which we charge £30 per hour. My firm has been paid £75 for 2.5 hours and £10 to cover the cost of the London congestion charge.

2.6 Office holder's expenses

The sum of £768 80 was incurred for document scanning to aid the investigation into the Company's affairs. A further £9 was incurred in travel expenses for attendance at the Company's trading premises.

2.7 Legal fees

The amount of £4,950 was paid to SALH in connection with providing advice and assistance concerning the assignment of the Company's lease. There is no amount outstanding in respect of legal fees.

SALH were chosen on that basis after taking into account the size and complexity of the legal issues. SALH charged a fixed fee for their services.

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2.8 Agents fees

The amount of £4,760 was paid to ES Group in respect of its fees for providing the valuation of the Company's assets comprising of leasehold property, office furniture and computer equipment and assisting in the sale thereof. There is no amount outstanding in respect of agent's fees.

ES Group was selected as agents on the basis of their experience and expertise in dealing with valuations and sale of assets in insolvency situations, taking into account the locality and size of the Company. The agreed basis of ES Group's fees was time costs and I have received and reviewed a report of the time spent in dealing with the assignment.

2.9 Insurance of assets

The amount of £265 was paid in respect of insuring the Company's assets while a suitable purchaser was found and sale completed.

(h) Details of any assets that remain to be realised and outstanding matters

There may be potential further recoveries following our investigations into certain transactions which the Company made prior to my appointment as liquidator.

(i) Investigations

- 1.1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents.
- 1.2 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 complete an investigation questionnaire. My examinations have not revealed any issues requiring further investigation.

(j) Creditors' rights – Rule 4.49E and Rule 4.131

- i) 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 provides further information about his remuneration or expenses which have been itemised in this progress report.
- ii) 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 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.

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(k) Any other relevant information:

(i) (a) Secured creditors

Garrick Street Nominees Limited is a secured creditor in respect of a rent deposit deed, created on 13 March 2013 and registered at Companies House on 15 March 2013

As discussed at (g) above, the landlord is now not a creditor in the Liquidation, due to the work undertaken in assigning the lease

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts

This regulation does not apply as there is no floating charge creditor

(ii) Preferential creditors

I have received confirmation from the Redundancy Payments Office that the only claim that was received from the Company's former employees has been rejected Accordingly, there are no preferential creditors

(iii) Unsecured creditors

The claims of 6 unsecured creditors totalling £2,383,234 41 have been received compared to 16 creditors totalling £2,497,086 71 disclosed on the Director's Estimated Statement of Affairs

There are also the claims of a further 10 creditors with an estimated value of £103,839 50 which I have yet to receive As funds will become available for unsecured creditors, I request that those creditors who have not already done so to submit their claims so that they can be adjudicated

(l) Next report

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

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I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Manager, Robert Cowie, or his assistant, Sam Deamer at this office

A handwritten signature in black ink, appearing to read 'Asher D Miller', with a stylized flourish at the end.

ASHER D MILLER FCA – LIQUIDATOR

DATE: 23 JANUARY 2015

APPENDIX A

LEADPOINT (UK) LIMITED - IN LIQUIDATION
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FROM 27 NOVEMBER 2013 TO 26 NOVEMBER 2014

	<u>Estimated</u> <u>to realise</u>	<u>Realised</u> <u>to-date</u>
	<u>£</u>	<u>£</u>
<u>Receipts</u>		
Rent deposit	uncertain	10,012 80
Office furniture & equipment	uncertain	1,000 00
Book debts	uncertain	577 31
Cash at bank	113,500	109,608 13
Cash held on appointment	12,000	12,000 00
Bank interest received		30 34
		133,228 58
<u>Payments</u>		
Statement of affairs fee	18,000 00	
Statutory advertising	338 40	
Specific bond	316 80	
Meeting cost	150 00	
Carriage & archiving	85 00	
Office holder's expenses	777 80	
Statutory costs	14 00	
Legal fees	4,950 00	
Agents fees	4,760 00	
Insurance of assets	265 00	
Office holders fees	35,000 00	
		(64,657 00)
<u>Receipts less Payments</u>		<u>68,571 58</u>
<u>Represented by:-</u>		
Balance at bank		68,771 58
VAT payable		(200 00)
VAT recoverable		0 00
		<u>68,571 58</u>

LEADPOINT (UK) LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATOR'S TIME COSTS FOR THE YEAR ENDED 27 NOVEMBER 2013 TO 26 NOVEMBER 2014 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00 00	00 00	00 12	00 00	00 12	26 00	130 00
Statutory filings, circulars, notices, etc	08 00	10 48	37 06	00 00	55 54	10,692 00	191 27
Case planning, strategy & control	00 00	07 48	00 18	00 00	08 06	1,989 00	245 56
Taxation PAYE, C/Tax & VAT	01 42	01 36	02 06	00 00	05 24	1,344 50	248 98
Accounting & Cashiering	00 00	01 30	01 36	07 42	10 48	1,903 00	176 20
Case reviews & Diary maintenance	02 48	13 36	15 48	00 00	32 12	6,560 00	203 73
Statutory reporting and compliance	00 00	00 00	00 24	00 00	00 24	52 00	130 00
Investigations							
CDDA preparation & reporting	02 06	14 24	25 12	00 00	41 42	7,714 50	185 00
SIP2 assessment and financial review	03 30	03 30	00 00	00 00	07 00	2,257 50	322 50
Antecedant transactions & wrongful trading	02 30	06 06	00 48	00 00	09 24	2,616 50	278 35
Realisation of assets							
Freehold & leasehold properties	34 06	00 00	00 00	00 00	34 06	9,511 00	278 91
Book debts collection	01 36	00 00	00 42	00 00	02 18	723 00	314 35
Tangible assets	33 24	37 12	19 54	00 00	90 30	25,080 00	277 13
Creditors							
Unsec'd Creditors correspondence & claims	08 00	00 54	06 00	00 00	14 54	4,032 50	270 64
Preferential creditors & employees	03 06	02 48	00 36	00 00	06 30	2,002 50	308 08
Total hours and costs	100 48	100 12	110 42	07 42	319 24	76,504 00	239 52