

Liquidator's Progress Report

S.192

Pursuant to Sections 92A, 104A and 192 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06635483

Name of Company

(a) Insert full name of company

(a) INCAHOOT LIMITED

(b) Insert full name(s) and address(es)

I (b)

Kenneth William Touhey of Insolvency and Recovery Limited, Chapelworth House, 2nd Floor, 1 Chatsworth Road, Worthing, West Sussex, BN11 1LY

the liquidator of the company attach a copy of my Progress Report under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 29 September 2015 to 28 September 2016

Signed

[Handwritten signature]

Date 28/9/16

Presenter's name, address and reference (if any)

Kenneth William Touhey
Insolvency and Recovery Limited
Chapelworth House, 2nd Floor
1 Chatsworth Road
Worthing
West Sussex
BN11 1LY

SATURDAY



A06 10/12/2016 #218
COMPANIES HOUSE



INCAHOOT LIMITED
("the Company" or "Incahoot")
(IN ADMINISTRATION)

Registered Number: 06635483

Liquidator's First Annual Progress Report

For the period from 28 September 2015 to 28 September 2016

Pursuant to Section 104A
of The Insolvency Act 1986 (as amended)
and Rule 4.49C of The Insolvency Rules (as amended)

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1. INTRODUCTION

- 1 1 The Liquidator was appointed on 29 September 2015 following the Administration of the Company
- 1 2 The purpose of this report is to provide Creditors with an update on the progress of the Liquidation of the Company since the last annual report sent to Creditors on 29 September 2015
- 1 3 In the spirit of brevity, I do not propose to reiterate the information contained in the previous report and have therefore focussed on the progress of the liquidation subsequent to that report. Please note however, that a copy of the Administrator's final progress report is available upon request
- 1 1 The former Administrator was appointed on the 19 November 2014 by the Directors of the Company pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986 ("the Act")

2. BACKGROUND

- 2 1 Ken Touhey of Insolvency and Recovery Limited ("IRL") Chapelworth House, 1 Chatsworth Road, Worthing, West Sussex, BN11 1LY was appointed Liquidator of the Company on 29 September 2015 and had previously acted as Administrator of the Company following his appointment on 19 November 2014
- 2 2 The Company's registered office is Chapelworth House, 1 Chatsworth Road, Worthing, West Sussex, BN11 1LY
- 2 3 The Company's registration number is 06635483
- 2 4 The Company's former registered office was Office 404, Albany House, 324 Regent Street, London, W1B 3HH. The Company's former trading address was Fordbrook Business Centre, Marlborough Road, Pewsey, Wiltshire, SN9 5NU

3. LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

- 3 1 Attached at Appendix A is a summary of our Receipts and Payments Account for the period 29 September to 28 September 2016 which shows what assets of the Company have been realised and for what value and what expenses have been paid
- 3 1 As at 29 September 2016, there is a cash balance in hand of £7,025 44

4. ASSETS REALISATIONS

- 4 1 As previously reported, on 13 March 2015 the Company's business and assets were sold to Manx Incahoot Limited ("MIL")

- 4 2 The consideration for the purchase of the Company's business and assets comprised as follows
- | | £ |
|----------------------------------|----------------|
| Business and Assets | 23,000 |
| Computer Equipment | 500 |
| Office furniture and Equipment | 1,500 |
| Commission Payments from Inspire | 76,000 |
| | <u>101,000</u> |

- 4 3 It was also agreed that MIL pay the deferred consideration comprising of 10% of the total revenue received by MIL from any pipeline clients in respect of sales or services prior to the second anniversary of the completion date (13 March 2017) capped at £100,000

- 4 4 We have received quarterly accounts up to September 2016 and unfortunately to date there are no funds due to the Liquidation under the deferred consideration
- 4 5 We have discussed at length with MIL the reasons why there has been no income due and they have advised that there has been a delay in pipeline work which was unforeseen at the time of the purchase. In addition, potential contracts have either changed their business focus and don't require MIL's services or they have gone to other competitors
- 4 6 However, MIL continue to be confident that some income will be derived from this source as they continue to negotiate with some interested parties although not for the amounts originally envisaged. Quarterly Accounts are due in December 2016, which will give a better indication of any prospective of receiving any deferred consideration
- 4 7 Apart from the balance of transfer from the Administration in the sum of £7,324 44, there have been no further asset realisations for the benefit of the Liquidation

5. INVESTIGATIONS

- 5 1 The Liquidator has complied with his statutory obligation to file a report with The Insolvency Service regarding the conduct of all Directors of the Company that served in the three years prior to the Administration. The content of this report is confidential
- 5 2 We carried out enquiries that we considered to be proportionate to the circumstances of the case and are of the opinion that there were no matters that might lead to recoveries for the estate
- 5 3 However, if creditors have any additional information regarding the Conduct of the Directors which they feel should be brought to the attention of the Liquidator of any concerns regarding the way in which the Company's business has been conducted or information on potential recoveries for the Liquidation, please provide details in writing

6. CREDITORS CLAIMS

Secured Creditor

- 6 1 A debenture in favour of two of the Company Directors was registered on 10 March 2011. The debenture was repaid in full in 2013 and has since been deregistered with the Registrar of Companies
- 6 2 There are no other Secured Creditors in this matter

Preferential Creditors

- 6 3 As stated in previous reports, there are no Preferential Creditors as the employees were transferred under TUPE regulations

Prescribed Part

- 6 4 The calculation of the prescribed part is not applicable as there are no floating charge Creditors in this matter

Unsecured Creditors

- 6 5 According to the Company's books and records, Unsecured Creditors totalled £480,867 as at the date of Administration
- 6 6 As at the date of this report, Unsecured Creditors' claims submitted total £251,653

7. DIVIDEND PROSPECTS

- 7 1 Based upon current information available, it is uncertain whether there will be sufficient funds to enable a distribution to Unsecured Creditors as a distribution is wholly dependent upon whether any deferred consideration is received from the sale of the business

8. COSTS AND EXPENSES

Remuneration

- 8 1 The basis of the Liquidator's remuneration was fixed on the basis of time properly charged as agreed by the creditors during the Administration at the creditors meeting held on 28 January 2015, pursuant to Rule 4 127 (5A) of the Insolvency Rules 1986 ("the Rules"), the basis of return is carried over from the Administration to CVL
- 8 2 The Liquidator's time costs for the period from 29 September 2015 to 28 September 2016 totals £2,986 25 representing 17 15 hours at an average hourly rate of £174 13
- 8 3 The total time costs during the period of appointment amounts to £3,986 25 representing 23 25 hours at an average hourly rate of £171 45 and is also detailed in Appendix B
- 8 4 No Liquidator's fees have been drawn to date
- 8 5 As Liquidator, I am required to meet a considerable number of statutory and regulatory obligations Whilst many of these tasks do not have a direct benefit, they assist in the efficient and compliant progressing of the liquidation, which ensures that I and my staff carry out our work to high professional standards The narrative detail in respect of these tasks may be found in Appendix C
- 8 6 Information about this insolvency process may be found on the R3 website as follows <http://www.creditorinsolvencyguide.co.uk>

A copy of 'A Creditors Guide to Fees Charged by Liquidators in a Liquidation are available on the following website

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-liquidators-fees-final.pdf>

A hard copy of the Creditors Guide can be obtained upon request

Disbursements

- 8 7 Disbursements represent the reimbursement of expenses incurred on behalf of the assignment
- 8 8 To date, the following category 1 disbursements have been incurred Category 1 disbursements represent the simple reimbursement of actual out of pocket payments made on behalf of the Liquidation

Charged by	Services Provided	Total Amount Paid
		£
Creditor Gateway	Document Download	14 00
Courts Advertising	Statutory Advertising	150 00
Vision Blue Solutions	Insolvency Software	<u>135 00</u>
Total		<u>299 00</u>

8 9 The Liquidator's Category 2 disbursements for the period of this report total £234 57 which may include an element of overhead charges in accordance with the resolution passed by the creditors' meeting held on 28 January 2015. The basis of calculation of this category of disbursement was disclosed to Creditors prior to the resolution being passed.

9. FURTHER INFORMATION

9 1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

9 2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

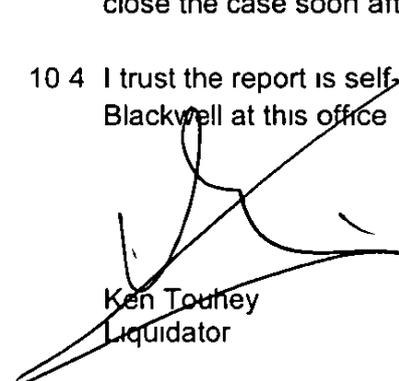
10. CONCLUSION

10 1 The administration of the Liquidation will be continuing because we will continue to receive quarterly accounts with regard to the deferred consideration. The final statement and accounts will be received in March 2017.

10 2 As advised in the report, it is unclear whether there will be a dividend available to unsecured creditors due to the uncertainty of receiving any income from the deferred consideration.

10 3 However, if funds are received into the estate, I intend to discharge all costs of the liquidation and make a dividend to all creditors if funds should permit, but if no income is received, I intend to close the case soon after March 2017.

10 4 I trust the report is self-explanatory but if you should have any queries, please contact Vanessa Blackwell at this office.



Ken Touhey
Liquidator

Incahoot Limited - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments

From 29 September 2015 to 28 September 2016

Statement of Affairs		£
£		
RECEIPTS		
NIL	Transferred from Liquidation	7,324 44
NIL		<u>7,324 44</u>
PAYMENTS		
	Statutory Advertising	150 00
	Sundry Payment	14 00
	Management Service Charge	135 00
		<u>299 00</u>
CASH IN HAND		<u>7,025 44</u>

APPENDIX B

Incahoot Limited – In Liquidation
Liquidator's Remuneration Schedule
Between 29 September 2015 and 28 September 2016

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0 00	0 00	3 80	0 00	3 80	665 00	175 00
Investigations	0 00	0 00	2 50	0 00	2 50	437 50	175 00
Realisation of Assets	0 00	0 00	1 50	0 00	1 50	262 50	175 00
Creditors	0 00	0 30	1 70	0 00	2 00	372 50	186 25
Taxation	0 00	0 00	4 00	0 00	4 00	700 00	175 00
Statutory Filing	0 00	0 00	0 80	0 00	0 80	140 00	175 00
Cashiering	0 00	0 40	1 25	0 90	2 55	408 75	160 29
Total hours	0 00	0 70	15 55	0 90	17.15		
Time costs	0 00	175 00	2,721 25	90 00		2,986.25	
Average hourly rate	0 00	250 00	175 00	100 00			174 13

Between 29 September 2015 and 28 November 2016 (date of report)

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	0 00	0 00	4 80	0 00	4 80	840 00	175 00
Investigations	0 00	0 00	2 50	0 00	2 50	437 50	175 00
Realisation of Assets	0 00	0 00	1 50	0 00	1 50	262 50	175 00
Creditors	0 00	0 30	4 50	0 00	4 80	862 50	179 69
Taxation	0 00	0 00	5 40	0 60	6 00	1,005 00	167 50
Statutory Filing	0 00	0 00	0 80	0 00	0 80	140 00	175 00
Cashiering	0 00	0 40	1 25	1.20	2 85	438 75	153 95
Total hours	0 00	0 70	20 75	1.80	23 25		
Time costs	0 00	175 00	3,631 25	180 00		3,986.25	
Average hourly rate	0 00	250 00	175 00	100 00			171.45

**Narrative detail for Incahoot Limited
In Creditors' Voluntary Liquidation**

Below is detailed information about the tasks undertaken as part of my duties as Liquidator

General Description	Includes
Administration and Planning (including statutory reporting)	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Investigations	
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service
Realisation of Assets	
Deferred Consideration	Receiving deferred consideration statements from Manx Incahoot Limited Queries and further information from Manx File note regards deferred consideration
Creditors	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD
Case Specific Matters	
Communication with the Directors	Corresponding and communicating with Directors concerning general matters of the case
Attendance Notes	File and attendance matters generally
Taxation	
	Correspondence with HMRC
	Complete VAT Returns
	Complete Corporation Tax Returns
	Correspondence with Accountant
	Obtain tax clearance from HMRC

APPENDIX C

General Description	Includes
Statutory Filing	
Advertising	Letters to Courts Advertising together with notices
Filing	Filing statutory paperwork at Companies House
Creditors Reports	Preparing annual progress report, investigation, meeting and general reports to creditors
Cashiering	
	Bank Reconciliations
	Lodgement of Receipts and Payments
	Online Banking
	Raising Disbursements
	Bond payment and calculation
	Opening and closing bank accounts
	Raising Invoices
	Updating Estimated Outcome Statements

**Insolvency and Recovery Limited (IRL)
Staff Charge Out Rates and Disbursements Recovery Policy
Pursuant to Statement of Insolvency Practice 9**

1 CHARGE-OUT RATES

In accordance with guidance issued by Institute of Chartered Accountants of England and Wales, we set out below the range of hourly charging rates from 1 January 2013 to date -

Managing Director	£400 per hour
Manager	£250 per hour
Senior Executive	£175 per hour
Administrative & Operational Staff	£100 per hour

Unless a fixed fee is agreed all insolvency and business recovery assignments are charged on time cost, i.e. the time spent by the member of staff calculated at the appropriate charging rate. Unless otherwise agreed, no uplift will be applied to these rates. Time is charged in units of 6 minutes.

Charge out rates are normally reviewed annually on 1 January 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.

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Insolvency and Recovery Limited and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by Insolvency and Recovery Limited and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by Insolvency and Recovery Limited are as follows:

Disbursements	Charge £
Plain/headed paper including photocopying and envelopes	20p per sheet
Postage	Actual Cost
Room hire	Free
Mileage (where any staff or office holder of Insolvency and Recovery Limited, utilises their own vehicle)	45p/mile
Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party	Actual Cost
Accommodation, Subsistence and any other miscellaneous disbursements, where appropriately incurred are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party	Actual Cost

All costs are subject to VAT, where applicable.

Insolvency and Recovery Limited

Effective from 1 January 2016