

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

06861309

Name of Company

3G Evolution Limited

I / ~~We~~

Alan J Clark, Recovery House, 15-17 Roebuck Road, Hainault Business Park, Ilford, Essex, IG6 3TU

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 04/02/2016 to 03/02/2017

Signed



Date

27/02/2017

Carter Clark
Recovery House
15-17 Roebuck Road
Hainault Business Park
Ilford, Essex
IG6 3TU

Ref: 3GE6016/RS



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14/03/2017

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COMPANIES HOUSE

3G Evolution Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 04/02/2016 To 03/02/2017
	SECURED ASSETS	
NIL	Goodwill	NIL
		NIL
	SECURED CREDITORS	
(30,800 00)	Barclays Bank plc (02 03 15)	NIL
		NIL
	HIRE PURCHASE	
175,000.00	Debtors	NIL
(180,000.00)	Factor 21 Plc (22 12 09)	NIL
30,000 00	Plant & Machinery	NIL
(50,000.00)	Finance	NIL
		NIL
	ASSET REALISATIONS	
Uncertain	Fixtures, fittings and equipment	8,000.00
	Suspense Account	250.00
		8,250 00
	COST OF REALISATIONS	
	Preparation of S. of A	6,000.00
	Office Holders Fees - Time costs	1,900.00
	Office Holders Expenses	274 41
	Bank Charges	10.00
		(8,184.41)
	PREFERENTIAL CREDITORS	
(12,814.37)	DE Arrears & Holiday Pay	NIL
(3,331 13)	Employee Arrears/Hol Pay	NIL
		NIL
	UNSECURED CREDITORS	
(162,539.27)	Trade & Expense Creditors	NIL
(80,251.33)	Employees	NIL
(117,524 17)	Department of Employment	NIL
(35,000 00)	Associated Loans	NIL
(97,356.03)	HMRC - PAYE/NIC	NIL
27,720.01	HMRC - VAT	NIL
		NIL
	DISTRIBUTIONS	
(10,000.00)	Ordinary Shareholders	NIL
		NIL
(546,896.29)		65.59
	REPRESENTED BY	
	Vat Receivable	1,630 13
	Fixed Current A/c	35.46
	Vat Payable	(1,600 00)



Carter Clark

Financial Recovery

Your ref
Our ref 3GE6016/RS/3
Contact Ryan Sinclair
Telephone 020 8559 5092
Fax 020 8524 1457
Date 27 February 2017

Recovery House
Hainault Business Park
15-17 Roebuck Road
Ilford
Essex
IG6 3TU

PRIVATE AND CONFIDENTIAL
To All Known Creditors and Contributories

Dear Sirs

3G Evolution Limited - In Liquidation
Company No. 06861309

Further to my appointment as liquidator on 4 February 2016, I am now in a position to provide creditors and contributories with my first progress report on the liquidation. Please find enclosed a receipts and payments accounts to the anniversary of my appointment which I trust is self-explanatory. The balance of funds is held in a non-interest bearing estate bank account.

The company's registered office was changed to that of my office on 11 February 2016. Prior to that the registered office and last trading address of the company was Faber House 94 Wallis Road, Hackney, London, E9 5LN.

I can be contacted at the address shown on this report, however if you have any queries concerning this progress report I would be grateful if you would contact Ryan Sinclair who can be contacted on the telephone number shown above.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

Following my appointment I have undertaken the statutory formalities of my appointment including providing creditors with a report of the creditors meeting, advertising my appointment, notifying the Registrar of Companies of the details of my appointment and of the liquidation.

I obtained the books and records of the company which have been examined to ascertain whether any further matters require investigation either in relation to possible further assets that could be realised or in terms of the director's conduct. Any substantive matters which are being investigated further are outlined further in the report.

The amount of the creditor's secured claim has been investigated. I have also investigated the validity of the security and consideration has also been given to which assets are covered by the secured creditor's fixed charges and which are only subject to a floating charge. I have also considered whether there was any equity within assets subject to hire purchase.

The claims of all employees known to me have been processed and the information passed to the Redundancy Payments Office, who have subsequently processed the claims. Where appropriate I have provided further information to the redundancy payments office.

The claims of unsecured creditors which have been notified to me have been entered on my case management system although not yet adjudicated. Any queries raised by unsecured creditors have been answered either by telephone or in correspondence.

Partners
Gary A Carter
Alan J Clark*
Philip Gautier

Associate
Alistair Whipps

www.carterclark.co.uk

*Licensed to carry out insolvency work in the UK by the Institute of Chartered Accountants in England and Wales

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is as follows:

1 Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical/electronic case files
- Setting up the case on the practice's electronic case management system and entering data
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond
- Convening and holding general meetings of creditors and members (as applicable)
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing the office holder's estate bank account
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators
- Preparing, reviewing and issuing annual progress reports to creditors and members
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

From the outset of the liquidation to the anniversary date the time spent undertaking administration on the file has been 10.6 hours at an average hourly rate of £168.21 and a total cost to the estate of £1,783. This work has not resulted in any benefit to creditors but has had to be done either as a statutory requirement or as a professional requirement that is imposed on me.

1. Creditors

- Obtaining information from the case records about employee claims
- Completing documentation for submission to the Redundancy Payments Office.
- Corresponding with employees regarding their claims
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- Maintaining up to date creditor information on the case management system.

From the outset of the liquidation to the anniversary date the time spent on creditors' claims has been 10.1 hours at an average hourly rate of £171.88 and a total cost to the estate of £1,736. This work has not resulted in any benefit to creditors but has had to be done either as a statutory requirement or as a professional requirement that is imposed on me.

2. Investigations

- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act 1986
- Pursuing the submission of books and records.
- Reviewing the Bank Statements
- Reviewing Creditor Statements
- Preparing a schedule of debts and age of debts
- Preparing schedules of findings.

From the outset of the liquidation to the anniversary date the time spent on investigations has been 8.9 hours at an average hourly rate of £170 and a total cost to the estate of £1,513. All investigations were done either with a view to ascertaining whether any monies could be recovered for the benefit of creditors or as I was under a statutory or professional duty to undertake the investigations. This work

has not resulted in any benefit to creditors but has had to be done either as a statutory requirement or as a professional requirement that is imposed on me

3. Realisation of assets

- Corresponding with the factors & assisting where appropriate in collecting outstanding book debts
- Liaising with the bank regarding the closure of the account.
- Liaising with purchasers to realise known assets.

From the outset of the liquidation to the anniversary date the time spent on asset realisations has been 15.3 hours at an average hourly rate of £184.67 and a total cost to the estate of £2,825.50. Whilst realisations have been made, this work will not benefit creditors as the recoveries made will be utilised in paying the costs of the liquidation.

Assets realisations

The fixtures, fittings and equipment were sold for £8,000 to Print East London Limited on 8 July 2016 – the funds for which were recovered on 15 July 2016. This company is owned and controlled by similar directors.

I also recovered £250 from the company's bank which I have recently been advised does not relate to the liquidated company and which I am currently investigating.

Unfortunately, there was no surplus assigned from the factors nor was there any equity available within the finance agreements.

Connected party transactions

There are no transactions with connected parties other than the above.

Further asset realisations

There will be no further realisations.

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted charges to Barclays Bank plc on 2 March 2015 and Factor 21 plc on 22 December 2009 – both incorporating fixed and floating charges.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors.

These provisions do not apply as realisations have not exceeded £10,000 and therefore there is no net property for the provisions to attach to.

Preferential creditors

The preferential creditors were estimated at £16,145 in the director's statement of affairs. To date claims of £15,846 have been received. There will be no dividend declared to any class of creditor. Please accept this as formal notice of the same.

Unsecured creditors

The unsecured creditors were estimated at £501,096 in the director's statement of affairs. To date 38 claims have been received, totalling £665,212. A further 7 creditors with anticipated claims totalling £52,423 have yet to submit claims. The increase in claims relates to several trade creditors having claimed when they were not expected at the outset together with substantial claims being received.

from the Crown in respect of outstanding PAYE/NIC contributions. No claims have been formally agreed.

Prescribed Part

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A liquidator has to set aside:

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000.

The estimated net property in this case is nominal after costs and thus there is no prescribed part available.

Dividend Prospects

There will be no dividend to any class of creditor. Please accept this as formal notice of the same.

Investigation

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

In particular, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the months prior to the Company ceasing to trade from the Company's bankers, and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company.

I would confirm that my report has been submitted and I confirm that all salient matters relating to my investigation have been passed to the Department of Business Enterprise and Regulatory Reform at the Insolvency Service for consideration pursuant to the Company Directors' Disqualification Act 1986. In this regard, creditors are asked to note that I cannot comment further on this matter for reasons of confidentiality imposed upon me by the Act.

Liquidator's remuneration, disbursements and expenses

At the meeting of creditors held pursuant to section 98 of the Insolvency Act 1986, creditors resolved that a statement of affairs fee of £6,000 plus VAT be paid. This relates to assisting the directors in the preparation of the statement of affairs and for the calling and holding of the members and creditors meetings. This has been paid from the realisations of the company's assets.

At a meeting of creditors held by correspondence on 30 March 2016, creditors also resolved that the liquidator be remunerated on a fixed fee basis of £24,000. The attached receipts and payments account sets out payments to date.

Disbursements reimbursed to the office holder or his firm, and the basis of which they are calculated, are as follows:

Category 1 Disbursements	Cost	Basis	Incurred since last anniversary	Drawn
	£		£	£
Company searches	9.00	actual	-	9.00
Advertising	225.41	actual	-	225.41
Bordereau insurance	40.00	actual	-	40.00
	<u>274.41</u>		<u>-</u>	<u>274.41</u>

Further Information

Creditors are entitled to seek further information concerning my remuneration, disbursements and expenses. Guidance on how to seek further information and question the fees incurred is available in the Guide to Liquidators Fees. A copy can be viewed in the CreditZone of our website www.carterclark.co.uk. The relevant guide for this liquidation is the one for liquidations post 1 October 2015. Alternatively a copy will be supplied from this office upon request. Also available in the same section of our website is this firm's policy on fees. In the section on our website headed corporate information is the relevant information I am required to provide under the Provision of Goods and Services Regulations.

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.


An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured 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.

Summary

The Liquidation will remain open until I have issued my final report to creditors which I estimate will take approximately 3 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Ryan Sinclair on the above telephone number, or by email at ryan.sinclair@carterclark.co.uk

Yours faithfully
For and on behalf of 3G Evolution Limited


PP A J Clark
Liquidator

3G Evolution Limited
(In Liquidation)
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Uncertain	Fixtures, fittings and equipment	8,000 00	8,000.00
	Suspense Account	250 00	250.00
		8,250 00	8,250.00
	COST OF REALISATIONS		
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	Office Holders Expenses	274.41	274.41
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(546,896.29)		65.59	65.59
	REPRESENTED BY		
	Vat Receivable		1,630 13
	Fixed Current A/c		35 46
	Vat Payable		(1,600 00)
			65.59