

Liquidator's Progress Report

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

S. 192

To the Registrar of Companies

Company Number

06916406

Name of Company

(a) Insert full name of
company

(a)

90 10 Group Limited

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

I/We (b)

Tim Clunie
SG Banister & Co
40 Great James Street
London
WC1N 3HB

the liquidator(s) of the company attach a copy of my/our Progress Report under
section 32 of the Insolvency Act 1986

The Progress Report covers the period from 9 August 2012
to 8 August 2013

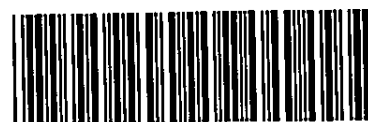
Signed



Date 4 October 2013

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

SATURDAY



A2IV2R69

A18

12/10/2013

#219

COMPANIES HOUSE

S G BANISTER & CO
CHARTERED ACCOUNTANTS

T A CLUNIE F C A M I P A F A B R P
Licensed by The Insolvency Practitioners Association

40 GREAT JAMES STREET
LONDON WC1N 3HB

Contact: Carl Lee-Sang
Tel: 020 7430 9310
Fax 020 7430 0371
Email cleesang@sgbanister.com

SGB Ref: SGB/TAC/NTE50/7
Your Ref

Date: 4 October 2013

TO ALL MEMBERS & CREDITORS

Dear Sir/Madam


90:10 Group Limited - In Liquidation ('the Company')

I write further to my appointment as liquidator of the above Company on 9 August 2012

In accordance with the provisions of Section 104A of the Insolvency Act 1986, I now enclose herewith my annual progress report for the year ended 8 August 2013 to members and creditors of the Company that should appear self-explanatory

If you require any further information then please do not hesitate to contact this office

Yours faithfully,
For 90:10 Group Limited


Tim Clunie
Liquidator

Encs:

RE: 90:10 Group Limited
(In Creditors' Voluntary Liquidation)

Liquidator's Annual Progress Report to Member s & Creditors
[pursuant to Rules 4.49C of the Insolvency Rules 1986 (As Amended)]

Period: From 9 August 2012 to 8 August 2013

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- I Company's statutory information
- II. Summary of charge out rates by grade
- III. Time & Chargeout Summaries - SIP9

1. INTRODUCTION

This report has been prepared by the Liquidator of 90 10 Group Limited ("the Company") under Rule 4 49C of the Insolvency Rules 1986 (As Amended) ("the Rules") and covers the first anniversary of the liquidation from 9 August 2012 to 8 August 2013

2. STATUTORY REQUIREMENTS

Under the provisions of Rule 4 49C, as the liquidator, I am required in accordance with Section 104A of the Insolvency Act 1986 ("the Act") to send to each creditor known to the liquidator an annual progress report for the 1st year of the liquidation

3. BACKGROUND

Details of the Company's statutory information are shown in **Appendix I**

A detailed narrative of the company's trading history and financial results was reported in my initial circular to creditors. I do not, therefore, propose to reproduce the said information that covered the pre-liquidation period

4. DETAILS OF THE APPOINTMENT OF THE LIQUIDATOR

Tim Clunie of SG Banister & Co was appointed Liquidator of the Company at meetings of members and creditors convened on 9 August 2012

5. RECEIPTS & PAYMENTS ACCOUNT

Shown below is a summary receipts and payments account covering the period from 9 August 2012 to 8 August 2013, in accordance with the requirements the Statement of Insolvency Practice 7 (England & Wales)

<u>Per</u> <u>Statement of</u> <u>Affairs</u> <u>Total (£)</u>		<u>Total (£)</u>	<u>Total (£)</u>
	RECEIPTS		
73,070	Trade Debtors		74,340 85
1,000	Office Equipment		1,975 00
20,684	Directors Current Account		0 00
0	Sundry Income		1,200 00
0	VAT - Output		395.00
<u>£94,754</u>			<u>77,910 85</u>
	LESS: PAYMENTS		
	Statement of Affairs Fee	8,000 00	
	Specific Bond Premium	400 00	
	Agents' Costs & Commission	446 25	
	Liquidator's Remuneration	35,000 00	
	VAT - Input	8,659 25	
			<u>(52,505 50)</u>
	Balance in Hand		<u>£25,405 35</u>

6. ASSET REALISATIONS

Apart from those items shown above, there have been no other asset realisations to date in this liquidation. With reference to the items shown on the account, I would make the following comment -

Trade Debtors - Sales ledger balances printed from the company's Sage database detailed a number of international debtors. However, on further examination and cross-referencing these accounts with relevant entries not recorded on Sage, the majority of clients were found to have paid their accounts. There were three clients whose accounts reflected unrecovered sums for foreign currency adjustments that had not been contraed. A further four middle eastern clients, with debts totalling £11,550 30, were found to have paid their accounts to the company's overseas office in the months preceding the date of liquidation. A major international client, based in Belgium, appointed agents in South Africa to liaise with the company and liquidator in respect of its indebtedness and after months of discussions a final sum of £18,025 was received.

The principal debt due from a Middle East government department (MEGD) proved to be a protracted affair and one that had been ongoing for over twelve months prior to liquidation. I comment that details of this particular contract was disclosed to creditors in my report following the first meeting of creditors and I would prefer in this report to simply update creditors on the post-liquidation progress thereon. The directors, shareholders and in-house accountant were consulted on the various legal and contractual issues surrounding the contract. Furthermore, the company's former overseas representative, who was responsible for the contract from its inception and now based in Paris, was contacted to fully research the basis on which MEGD had terminated the contract and disputed the invoices raised by the company for social media work services carried out under the terms of the contract.

The liquidator retrieved from the company's records all the historical paperwork, letters, emails and minutes of directors meetings that related to the contract. During 2012, the company had sought legal advice from their solicitors on pursuing recovery of the debt but for a variety of reasons declined to instigate legal proceedings in favour of making continual demands for payments to the agents and the MEGD and their appointed agents (agent) based in Saudi Arabia. Initially, the liquidator engaged in consultation with the agent that culminated in a settlement sum of \$87,679 being approved by MEGD in full and final settlement of the contract. This offer formed the basis of a Memorandum of Understanding that was issued by the MEGD that was duly signed, witnessed and sealed by the liquidator before being returned to MEGD in December 2012. Suffice it to say that the processing of the final payment took months to finalise and payment thereof was finally received in April 2013.

Office Equipment - There was a small quantity of office furniture and equipment that was in situ at the company's former offices. However, as reported to creditors, all the office furniture was subject to a distraint notice served on 13 June 2013 by HM Revenue & Customs for unpaid VAT. Following negotiations over the ownership of these items and queries over the extent of the VAT liabilities, coupled with evidence extracted from the company's financial records, an agreement to apportion the proceeds of sale was agreed between the liquidator and HMRC. Consequently, agents appointed by HMRC disposed of the office equipment and the net proceeds shared, whereupon the company received a sum of £1,975.

Sundry Income - A sum was received in respect of the company's online hosting facility.

7. ESTIMATED FUTURE REALISATIONS

The only item shown on the company's statement of affairs that has not been realised is as follows.

Directors Loan Account – The anticipated debt due from a former director was as stated in the company's financial records. However, it is uncertain if there are any legitimate grounds for that person disputing the amount reflected in the said records, especially as the figure shown on the company statement of affairs may not have included legitimate payments available for possible mutual set-off. In the circumstances, the former director will be encouraged to enter into negotiations with the liquidator to resolve this matter and the company's accounting records will be made available to him and his financial advisors in an effort to determine the precise sum that is repayable. Given the nature of the alleged debt, it is anticipated that formal recovery action will be avoided and that any counter-claim received will be thoroughly investigated before any legal proceedings are considered. The liquidator will report further on this matter in future reports.

8. ESTIMATED CLAIMS IN THE LIQUIDATION

With reference to the Director's Estimated Statement of Affairs prepared at the outset of the liquidation, I would comment on the liabilities of the Company as follows: -

Preferential Creditor(s) – A provision was made at the outset of the liquidation for preferential creditors and a number of employees submitted employment compensation claims to the Insolvency Service (IS), who have lodged a claim of £6,417.64 in the proceedings. There were a number of claims that were rejected by the IS and it is therefore uncertain if this will be subject to an appeal and therefore result in an increment in the current claim from the IS. Nevertheless, there are residual claims expected from other employees and possibly directors that will increase the final figure owed to preferential creditors.

Unsecured Creditor(s) – The proven unsecured creditors, comprising crown, trade and expense claims amount to £535,237.88. HM Revenue & Customs have submitted a claim of £90,082.78 for an VAT but not as yet for PAYE, NI and other taxes that could be in excess of £100,000. To the best of the liquidator's knowledge, there are several creditors who have not proved in the liquidation and if this applies to you, then you are at liberty to submit details of your claim to the liquidator.

9. INVESTIGATIONS

In accordance with the Company Directors Disqualification Act 1986, I have submitted a confidential report to The Insolvency Service on the director's conduct. However, this is a standard requirement and does not necessarily reflect on the director's administration of the Company.

10. OTHER MATTERS

There have been no transactions with connected parties since my appointment as liquidator, pursuant to SIP13.

In accordance with SIP2, I have conducted a review of all information available to me on the company to establish if there are any matters that might lead to an additional recovery for the benefit of creditors. The initial assessment has not revealed any potential claims that might be brought against parties either connected to or who have had former dealings with the company.

All routine enquiries into the Company's affairs are now complete and there are no matters that require further investigation.

11. DIVIDENDS PROSPECTS

Various categories of creditors will be affirmed in due course, whereupon it is anticipated that current and/or projected realisations will be sufficient to declare a distribution to creditors.

12. LIQUIDATOR'S REMUNERATION

The calculation and basis of the liquidator's remuneration was agreed by the company's creditors at the general meeting held under Section 98 of the Act, on 9 August 2012, on a time costs basis. Attached at **Appendix II** is a summary of my firm's charge out rates by grades of staff based on our prevailing charge out rates for the period in question.

My time as Trustee is based on time costs that are charged in six-minute units. I have provided a summary of my firm's time costs by grade and by task at **Appendix III**. Time costs to date show the overall hours worked at 180, this gives an overall cost of £53,555.00, with an average hourly rate of £297.53. The liquidator remuneration or expenses is indicated on the receipts and payments account above. Detailed information on time costs is available upon request.

13. CREDITORS' CLAIM TO CHALLENGE REMUNERATION AND/OR EXPENSES

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders (pursuant to Rule 4.131 of the Rules) on the grounds that (a) the remuneration charged by the liquidator, (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or (c) expenses incurred by the liquidator, is or are, in all the circumstances, excessive or, in the case of an application under subparagraph (b), inappropriate.

Such an application must, subject to any order of the court under Rule 4.49E (5), be made no later than 8 weeks after receipt by the applicant of the progress report, or the draft report under Rule 4.49D, which first reports the charging of the remuneration or the incurring of the expenses in question, in accordance with Rule 4.131 (1B) of the Rules.

14. CREDITORS' RIGHTS TO REQUEST INFORMATION

In accordance with the provisions of Rule 4.49E of the Rules, any secured creditor or unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditors in question) or, with the permission of the Court, may, in writing, request the liquidator to provide additional information regarding his remuneration and/or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

15. FURTHER INFORMATION

Should you have any further queries in respect of this liquidation, please do not hesitate to contact this office.

Dated: 4 October 2013

Tim Clunie
LIQUIDATOR

SG Banister & Co
40 Great James Street
London
WC1N 3HB

Appendix I

Statutory Information

<u>Company Number</u>	06916406												
<u>Date of Incorporation</u>	27 May 2009												
<u>Previous Names</u>	N/a												
<u>Type of Insolvency</u>	Creditors' Voluntary Liquidation												
<u>Date of Insolvency</u>	9 August 2012												
<u>Court Name & Number</u>	N/a												
<u>Name of Liquidator</u>	Tim Clunie of SG Banister & Co, 40 Great James Street, London, WC1N 3HB												
<u>Date of Appointment</u>	9 August 2012												
<u>Nature of Business</u>	Social Media Marketing												
<u>Trading Address</u>	46-47 Britton Street, London EC1M 5UJ												
<u>VAT Reg. No</u>	974 8542 70												
<u>Current Registered Office</u>	40 Great James Street, London WC1N 3HB												
<u>Previous Registered Office</u>	Heathmans House, 19 Heathmans Road, Parsons Green, London SW6 4TJ												
<u>Director(s)</u> (Previous 3 Years)	<u>Name</u> Jamie Burke David Cushman Jeremy Hicks Sarah du Heaume												
<u>Company Secretary</u> (Previous 3 Years)	<u>Name</u> Haggards Crowther												
<u>Authorised Share Capital</u>	1,097 Ordinary Shares with a nominal value of £1 each												
<u>Shares Issued</u>	<table><tr><td><u>Name</u></td><td><u>No. of Shares</u></td></tr><tr><td>Jamie Burke</td><td>950</td></tr><tr><td>David Cushman</td><td>50</td></tr><tr><td>Jeremy Hicks</td><td>31</td></tr><tr><td>Sarah du Heaume</td><td>66</td></tr><tr><td></td><td><u>1,097</u></td></tr></table>	<u>Name</u>	<u>No. of Shares</u>	Jamie Burke	950	David Cushman	50	Jeremy Hicks	31	Sarah du Heaume	66		<u>1,097</u>
<u>Name</u>	<u>No. of Shares</u>												
Jamie Burke	950												
David Cushman	50												
Jeremy Hicks	31												
Sarah du Heaume	66												
	<u>1,097</u>												
<u>Bankers</u>	HSBC Bank plc												
<u>Accountants</u>	Haggards Crowther												

Appendix II

SG Banister & Co
Summary of Charge out Rates by Grade

The following table is shown as the rate per hour

	Rates at Appointment Date (£)	Current Rates (£)
Principal	300 00 - 350 00	325 00 - 375 00
Manager	275 00	300 00
Manager 2	200 00	225 00
Senior	150.00	175 00
Assistance & Support	100 00	125 00
Assistance & Support 2	75 00	90.00

Note: In common with other professional firms, the charge out rates may increase from time to time over the period of the administration of the insolvent case

Category 2 Disbursements

Postage, Photocopying, Stationery, Telephone, Facsimile and Printing	£2 50 per creditor, per statutory meeting
Mileage Charges	£0 75 per mile
Storage Boxes	£5 00 per box
Storage costs	£5.00 per box per quarter
Destruction of Books and Records costs	£5 00 per box
Files (inc. Indexes)	£10.00 each
Additional Files	£6 00 each
Room Hire for each meeting of creditors and committee meetings (internal costs only External room hire to be charged as Category 1 disbursements, at cost)	£100
Company Searches	£35 per search

Costs may increase as a result of inflation. Such costs will be reported annually.

Appendix III

SG BANISTER & CO

TIME & CHARGEOUT SUMMARIES

From: 09-Aug-2012

To: 08-Aug-2013

90:10 GROUP LTD - IN LIQUIDATION

HOURS							
Classification of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £0 00	Average Hourly Rate £0 00
Administration & Planning	2 00	41 30	0 00	0 00	43 30		
Investigations	0 00	14 90	0 00	0 00	14 90		
Realisation of Assets	0 00	78 00	0 00	0 00	78 00		
Trading	0 00	0 00	0 00	0 00	0 00		
Creditors	0 00	43 80	0 00	0 00	43 80		
Total Fees Claimed £	700 00	52,855 00	0 00	0 00		53,555 00	
Total Hours	2 00	178 00	0 00	0 00	180.00		
Average Rate £							297.53