

WU07

Notice of progress report in a winding-up by the court



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 7 4 5 3 0 0 5

Company name in full Discovery Business Solutions Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Elliot

Surname Green

3 Liquidator's address

Building name/number Moda Business Centre

Street Stirling Way

Post town Borehamwood

County/Region

Postcode W D 6 2 B W

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.

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Period of progress report

From date

^d2^d4^m0^m9^y2^y0^y2^y0

To date

^d2^d3^m0^m9^y2^y0^y2^y1

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X

Elliot Green

X

Signature date

^d1^d7^m1^m1^y2^y0^y2^y1

TO ALL KNOWN CREDITORS AND MEMBERS OF
DISCOVERY BUSINESS SOLUTIONS LIMITED - (IN LIQUIDATION)

**LIQUIDATOR'S ANNUAL PROGRESS REPORT FOR THE YEAR ENDING 24
SEPTEMBER 2021**

17 November 2021

Our Ref: EG1075/EG

Dear Sirs

Discovery Business Solutions Limited (In Liquidation) ("the Insolvent Estate")

Court: Croydon County Court No 470 of 2015

Insolvent Estate Company Number: 07453005

Registered Office: Moda Business Centre, Stirling Way, Borehamwood, WD6 2BW

Trading Address: Grosvenor House, 4-7 Station Road, Sunbury-on-Thames, Surrey, TW16 6SB

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INTRODUCTION

I was appointed Liquidator ("the Office-Holder") of the Insolvent Estate on 24/09/2015, following a Winding-up Order being made on 06/07/2015. Reference in this report to the Insolvent Estate is also to 'the Company'.

In accordance with Rules 18.3 and 18.8 of the Insolvency (England & Wales) Rules 2016 ("IR 2016"), I now provide an annual progress report for the year ended 24 September 2021 ("the Period"), which should be read in conjunction with any previous report(s). Additional information in respect of the Insolvent Estate and Office-Holder is detailed below.

This report provides the following information:

- The work undertaken in the period covered by the report.
- Remuneration and Expenses.
- An explanation of anticipated future work that remains to be done and why it is required.
- Details of time costs and expenses for dealing with these matters during the period covered by this report for my administration of the Insolvent Estate and to date.

RECEIPTS AND PAYMENTS ACCOUNT

An account of my actual (not accrued) receipts and payments for the period of this report is enclosed. Expenses may be recharged to the estate as and when funds become available.

REALISATION OF ASSETS

Work undertaken on the realisation of assets may provide a direct financial benefit to creditors by way of a distribution of funds, subject to costs of recovery.

Asset realisations have been confined to £5.57 in the period covered by this report. This has resulted from bank interest received.

The detailed time and cost summary shows that I have incurred time costs in this category of work of £0 during the Period.

INVESTIGATIONS

I have a duty to maximise realisations into the Estate for the benefit of creditors. This work will not necessarily provide any direct financial benefit to creditors unless it results in recoveries into the estate which will enable a distribution to be made, subject to costs.

As Liquidator, I undertook investigations into the Insolvent Estate's affairs which included a review of the financial information available and obtaining further information from third parties.

As explained in the last Progress Report, I have sought explanations from the relevant Directors via my instructed solicitors, Freeths LLP. Mr Lethaby has replied and says that the payments to the connected company GB Building Solutions Ltd ("GB") are likely to be for reimbursement of stock, where GBBS purchased the stock on behalf of the Company. He further says that he is unable to assist with the group company book debts of £554,110 given that the records are with the administrator of that company. I have instructed my solicitors to request relevant information from the administrator who were unable to locate information from the records of GB which were said to be in disarray.

However, the Administrator of GB was able to provide a draft management account relating to the Company for the period ending December 2014.

This information appeared to reveal a movement in the intercompany debt of c.£500,000 as a result I instructed Freeths LLP to seek from the Administrators, amongst other things, details concerning how this movement took place to see if indeed it was ever paid and any other documents that they might be in a position provide. At the end of the period this had not been received.

The detailed time and cost summary shows that I have incurred time costs in this category of work of £982.50.

CREDITORS AND ESTIMATED RETURN

I am required, as Office-Holder, to undertake certain tasks in relation to creditors' claims. This work does not provide a direct financial benefit to the liquidation estate but is essential to the administration of the case.

Tasks in relation to creditors' claims

- Preparing the annual progress report which was the dominant creditor time during the Period.

Estimated Return to Creditors: Dividend prospects are presently uncertain and any recoveries will be subject to costs before a distribution can be made.

The detailed time and cost summary shows that I have incurred time costs in this category of work of £735.

ADMINISTRATION

I am required to meet a considerable number of statutory and regulatory obligations. This work does not provide a direct financial benefit to creditors but is a necessary requirement of the liquidation process.

Whilst these tasks do not have a direct benefit in enhancing realisations for the Insolvent Estate, they assist in the efficient and compliant progression of the liquidation.

During the Period Administration work has largely been confined to:

- Timely reviews of the case
- Monthly monitoring the level of the Bond to ensure it is adequate
- Monthly bank reconciliations and maintaining the case cashbook

The detailed time and cost summary shows that I have incurred time costs in this category of work of £482.50.

OUTSTANDING MATTERS

The administration of the Insolvent Estate is a developing matter given I enter office as a stranger. Once the matter of the GB intercompany position is either resolved or concluded that no further information can be sourced then the case will be concluded.

TIME COSTS AND EXPENSES SUMMARY

Fees

The basis of the Office-Holder's remuneration has been fixed by Time and Expenses following creditor approval on 12/01/2016. The fee estimate that has been approved to date in this case is £100000 plus VAT.

The Fee Estimate is sufficient and has not been exceeded.

Time costs are recorded at the prevailing charge out rate of the member of staff on the date that the time is recorded. The hourly rates applicable until 30 June 2021 are:

Director £450, Manager £300, Senior Administrator £200

With effect from 1 July 2021 the hourly rates applicable are:

Director £525, Manager £350, Senior Administrator £225

These rates are based inter alia on the level of skill and experience required to carry out the different tasks and prevailing market conditions and are subject to change. Time is charged in 6 minute units. Oliver Elliot is currently a sole practitioner firm operated solely by the Office-Holder, who has since 1 July 2019 undertaken all of the case work. Certain tasks that might be considered not to require the skills of an Office-Holder have been identified and charged where appropriate at the Manager and Senior Administrator rate. All other work has been undertaken at the Director rate. This is considered to be a fair and reasonable approach in view of the speed, efficiency and experience that comes with having the Office-Holder undertaking all the case work.

Time Records

Enclosed are tables relating to my time costs for the period covered by this report and where this is not the first anniversary of my appointment, for my administration of the Insolvent Estate as a whole. It also provides details of the activity costs to date incurred by me, by grade, together with details of the hourly charge-out rates.

In the period covered by this report, I have recorded time costs of £2,200 representing 6.20 hours at an average hourly rate of £354.84. A summary of total time costs which amount to £42,734 is also enclosed, being 199.90 hours at an average hourly rate of £213.78. I have drawn fees of £20,000 to date and £0 during the period covered by this report. These summaries include details of average hourly rates across categories of work and also shows breakdowns of my cumulative time costs. The complexity of the case has resulted in the average hourly due to the attention that the office-holder has had to give to the case.

A narrative explanation of the time records is provided within the relevant sections of this report. They match those headings in the time records summaries but for the avoidance of doubt such explanations can be found in the above categories of work in the sections for Realisation of Assets, Investigation, Creditors and Administration.

Information on creditor rights in relation to office-holder remuneration, expenses and information can be found in Statement of Insolvency Practice Number 9 (Payments To Insolvency Office Holders And Their Associates From An Estate) which can be viewed here:

<https://www.oliverelliot.co.uk/wp-content/uploads/2021/03/sip-9-payments-to-insolvency-office-holders-and-their-associates-from-an-estate-ew-1.pdf>

In addition, creditors can find more information on the insolvency process at <http://www.creditorinsolvencyguide.co.uk/>.

Expenses

'Expenses' are amounts properly payable by the Office-Holder from the estate. These may include, but are not limited to, legal and agents' fees.

Expenses met by the Office-Holder and reimbursed to the Office-Holder in connection with an insolvency appointment and will fall into two categories, category 1 and category 2. Where category 1 and category 2 expenses are 'incurred' they will have been recorded but not necessarily paid by the Insolvent Estate. These expenses incurred and or paid are as follows:

- Expenses incurred and paid to date total £38,849.25 and during the period of this report are £89.78. The Official Receiver's Fee and Secretary of State Fees (inclusive of banking fees) arise automatically and do not result from my instruction of agents and or subcontractors. During the Period those expenses incurred by me directly are £0.
- Category 1 expenses incurred but unpaid during the period of this report are £0.
- Category 2 expenses of £0 have been drawn since my appointment.

The expenses incurred or expected to be incurred have exceeded the details given to the creditors prior to the determination of the basis of remuneration. The reason for the increase is because of legal fees as explained in the last progress report.

Instruction of Freeths LLP is on a contingency basis based on time costs. Liability for costs will only crystallise upon a recovery being made. In this case Freeths LLP have been instructed by me in such similar terms. They have been selected as firm of solicitors with dedicated teams of solicitors and other persons specialising in providing insolvency legal services. I have prior experience of the persons whom I have instructed and the rates that they charge appear to me to be competitive. However, I have also selected them not merely by virtue of their hourly rates but also my confidence in their ability to undertake such works on an efficient and effective basis. Unless otherwise suggested any solicitors would be instructed not as sub-contractors but their skills are deployed to enable provision of advice and enforcement of obligations that appear reasonably required for the administration of the insolvent estate.

The time costs during the Period are £387.00 along with disbursements of £0 and for the period since instruction are £6,313.20 along with disbursements of £0. These figures are exclusive of VAT.

NET FINANCIAL BENEFIT

The net financial benefit to the liquidation estate will currently mean that a return to creditors will depend upon realisations exceeding the current level of my time costs and other expenses of the liquidation as referred to above.

CREDITOR RIGHTS

If you are aware of any matters, which I should be aware of in relation to the Liquidation, please let me know.

Creditors' Rights to Challenge Office-Holder's Remuneration and Expenses

Within 21 days of the receipt of a progress report a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or any unsecured creditor with the permission of the court can request further information from me regarding my remuneration and expenses which have been detailed in a progress report.

Any creditor (secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or any unsecured creditor with the permission of the court) may within 8 weeks of receipt of progress report have a right to challenge my remuneration and expenses via application to Court on the grounds that the remuneration charged or the expenses incurred by me as set out in such a report are, in all the circumstances, excessive or, the basis fixed for remuneration is inappropriate.

These rights are set out in full at the following link: <https://www.oliverelliot.co.uk/creditors-rights-in-insolvency/>

Prescribed Part for Unsecured Creditors

Section 176A(1)(a) requires me as Office-Holder to set aside the prescribed part of the Insolvent Estate's net property for the satisfaction of unsecured debts. "Net property" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the cost of realisation). The prescribed part is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £800,000).

As Office-Holder I will not be required to set aside the prescribed part if:

The net property is less than £10,000 and think that the cost of distributing the prescribed part would be disproportionate to the benefit;

Or if the net property is more than £10,000, if the provision is dis-applied by the court on the application of the Office-Holder on cost-benefit grounds.

Or if the charge was created before 15 September 2003.

I estimate that the Insolvent Estate's net property is £0.

The amount paid to unsecured creditors by virtue of Section 176A is £0.

STATUTORY AND COMPLIANCE INFORMATION

Insolvent Estate information

- Insolvent Estate name: Discovery Business Solutions Limited
- Insolvent Estate Number: 07453005
- Registered Office: Moda Business Centre, Stirling Way, Borehamwood, WD6 2BW
- Trading Address: Grosvenor House, 4-7 Station Road, Sunbury-on-Thames, Surrey, TW16 6SB
- Trading name: Discovery Business Solutions Limited
- Nature of business: Business Advisory Services
- Court name: Croydon County Court
- Court reference: 470 of 2015
- Petitioning creditor: Tech Data Limited
- Former registered offices: Herschel House, 58 Herschel Street, Slough, Berkshire SL1 1PG; Dephna House, 24-26 Arcadia Avenue, London N3 2JU
- Winding-up order: 06/07/2015

Office-Holder's details

- Name: Elliot Green
- IP number: 9260
- Name of firm: Oliver Elliot Chartered Accountants
- Firm's address: Moda Business Centre, Stirling Way, Borehamwood, WD6 2BW
- Date of Appointment: 24/09/2015

NEXT REPORT

I will report again following the next anniversary of my appointment or sooner if the administration is complete.

Yours faithfully

A handwritten signature in cursive script that reads "Elliot Green".

E H Green
Liquidator

*Licensed by the Institute of Chartered Accountants in England & Wales
(Insolvency Practitioner Number 9260)*

Discovery Business Solutions Limited
(In Liquidation)
Liquidator's Summary of Receipts and Payments

	Statement of affairs £	From 24/09/2020 To 23/09/2021 £	From 24/09/2015 To 23/09/2021 £
RECEIPTS			
Book Debts		0.00	44,358.48
Bank Interest Gross		5.57	130.93
		<u>5.57</u>	<u>44,489.41</u>
PAYMENTS			
Legal Fees		0.00	5,680.90
Official Receiver's Fee		0.00	1,150.00
Secretary of State Fee		88.67	8,924.62
Tax on Bank Interest		1.11	1.11
Specific Bond		0.00	108.00
Public Notices		0.00	154.00
Corporation Tax		0.00	25.07
Petitioning Creditors Costs		0.00	2,805.55
Liquidators Fees		0.00	20,000.00
		<u>89.78</u>	<u>38,849.25</u>
BALANCE - 23 September 2021		<u>(84.21)</u>	<u>5,640.16</u>
MADE UP AS FOLLOWS			
ISA		(84.21)	5,640.16
		<u>(84.21)</u>	<u>5,640.16</u>

Elliot Green

Elliot Green
Liquidator

Time Entry - SIP9 Time & Cost Summary

EG1075 - Discovery Business Solutions Limited
All Post Appointment Project Codes
To: 23/09/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	7.00	1.30	3.20	79.10	90.60	16,209.90	178.92
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	4.50	6.00	0.00	23.50	34.00	7,600.80	223.55
Investigations	26.50	0.00	0.00	39.70	66.20	17,409.70	262.99
Realisations of Assets	0.80	0.00	0.00	8.30	9.10	1,513.60	166.33
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	38.80	7.30	3.20	150.60	199.90	42,734.00	213.78
Total Fees Claimed						20,000.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

EG1075 - Discovery Business Solutions Limited
All Post Appointment Project Codes
From: 24/09/2020 To: 23/09/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	0.60	1.40	0.00	2.00	482.50	241.25
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.30	2.00	0.00	0.00	2.30	735.00	319.57
Investigations	1.90	0.00	0.00	0.00	1.90	982.50	517.11
Realisations of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.20	2.60	1.40	0.00	6.20	2,200.00	354.84
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	