

# 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

08244576

Name of Company

L D L Management Limited

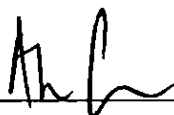
I / We

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 22/01/2015 to 21/01/2016

Signed



Date

6/4/16

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

Ref LDLM5014/RS

WEDNESDAY



\*A54SK0KY\*

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13/04/2016

#199

COMPANIES HOUSE

**L D L Management Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

| <b>Statement of Affairs</b> |                                   | <b>From 22/01/2015<br/>To 21/01/2016</b> |
|-----------------------------|-----------------------------------|--|
|                             | <b>ASSET REALISATIONS</b>         |  |
| Uncertain                   | Furniture & Equipment             | NIL                                      |
|                             | Cash at Bank                      | 147 34                                   |
| Uncertain                   | Directors Loan Account - S Jenner | 86,506 00                                |
|                             |                                   | <u>86,653 34</u>                         |
|                             | <b>COST OF REALISATIONS</b>       |  |
|                             | Preparation of S of A             | 7,000 00                                 |
|                             | Office Holders Fees - Time costs  | 14,900 00                                |
|                             | Office Holders Expenses           | 364 92                                   |
|                             | Bank Charges                      | 32 10                                    |
|                             |                                   | <u>(22,297 02)</u>                       |
|                             | <b>UNSECURED CREDITORS</b>        |  |
| (1,350 00)                  | Trade & Expense Creditors         | NIL                                      |
| (36,245 00)                 | HMRC - PAYE/NIC                   | NIL                                      |
| (113,469 00)                | HMRC - Corp Tax                   | NIL                                      |
| (21,668 00)                 | HMRC - VAT                        | NIL                                      |
|                             |                                   | <u>NIL</u>                               |
|                             | <b>DISTRIBUTIONS</b>              |  |
| (100 00)                    | Ordinary Shareholders             | NIL                                      |
|                             |                                   | <u>NIL</u>                               |
| <b>(172,832.00)</b>         |                                   | <b><u>64,356.32</u></b>                  |
|                             | <b>REPRESENTED BY</b>             |  |
|                             | Fixed Current A/c                 | 62,576 32                                |
|                             | Vat Control Account               | 1,780 00                                 |
|                             |                                   | <u>64,356.32</u>                         |

Alan J Clark  
Liquidator



Your ref  
Our ref LDLM5014/RS/3  
Contact Ryan Sinclair  
Telephone 020 8559 5092  
Fax 020 8524 1457  
Date 05 April 2016

**Carter Clark**  
Financial Recovery

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

**PRIVATE AND CONFIDENTIAL**  
**To All Known Creditors and Contributories**

Dear Sirs

**L D L Management Limited - In Liquidation**  
**Company No. 08244576**

Further to my appointment as Liquidator on 22 January 2015, 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 are held in a non-interest bearing estate bank account.

The company's registered office was changed to that of my office on 29 January 2015. Prior to that, the registered office and last trading address of the company was Canterbury House, Hurst Drive, Walton on the Hill, Tadworth, Surrey KT20 7QT.

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 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.

I have also reviewed in detail the overdrawn loan account from the director and made recoveries from him as well as obtaining funds from the company's bankers.

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:

**Partners**  
Gary A Carter  
Alan J Clark\*  
Philip Gautier

**Associate**  
Alistair Whipp

[www.carterclark.co.uk](http://www.carterclark.co.uk)

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

## 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 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
- 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 11 1 hours at an average hourly rate of £324 77 and a total cost to the estate of £3,605 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 Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- Maintaining up to date creditor information on the case management system
- Issuing a notice of intended dividend and placing an appropriate gazette notice
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims

From the outset of the liquidation to the anniversary date the time spent on creditors' claims has been 3 5 hours at an average hourly rate of £189 57 and a total cost to the estate of £663 50 This work has resulted in a benefit to creditors as it has enabled dividends to be paid which will be declared shortly

## 3. 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 17 5 hours at an average hourly rate of £269 51 and a total cost to the estate of £4,716 50 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 Accordingly creditors have benefited from some of this work

#### 4 Realisation of assets

- Corresponding with the director regarding the overdrawn loan account
- Negotiating a settlement with the director regarding his loan account
- Liaising with the bank regarding the closure of the account

From the outset of the liquidation to the anniversary date the time spent on asset realisations has been 20 8 hours at an average hourly rate of £350 99 and a total cost to the estate of £7,300 50. This work has benefited creditors as the realisations made have enhanced the possibility of a distributing to creditors.

#### **Assets realisations**

Cash at bank of £147 has been recovered which was not envisaged at the outset.

Following my investigations, it was discovered that the true position with the directors loan account was in fact that he owed the business £86,506 compared to £50,010 which was listed in his estimated statement of affairs. I have now managed to recover this amount in full from the director in instalments during the first 12 months of the liquidation.

Unfortunately the furniture & equipment proved irrecoverable due to its age and condition. It was therefore abandoned due to it being uncommercial to remove, store and seek a purchaser.

#### **Connected party transactions**

Since the commencement of the liquidation there have been no transactions with a connected party other than the recovery of the loan account mentioned above.

#### **Further asset realisations**

I do not envisage making any further recoveries.

#### **Secured Creditors**

There are no secured creditors.

#### **Preferential creditors**

There were no known preferential creditors in the director's statement of affairs and no claims have been received.

#### **Unsecured creditors**

The unsecured creditors were estimated at £172,732 in the director's statement of affairs. To date all creditors claims have been received, totalling £149,086. The decrease in claims relates to the lower claim submitted by the Crown in respect of outstanding PAYE/NIC contributions.

#### **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

There is no qualifying floating charge in this case so the prescribed part provisions do not apply.

## **Dividend Prospects**

I envisage making a distribution to unsecured creditor and as such I had already advertised a notice of intended dividend which gives creditors until 5 April 2016 to submit their full claims to me so that they can be formally admitted for distribution purposes. Under the terms of insolvency legislation a distribution to creditors must be declared within 2 months of the last date for proving so I expect to make a distribution to creditors before 5 June 2016.

## **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 24 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.

I took the following action where I considered that further investigation was justified:

I reviewed in significant detail the movements of the directors' loan account and as mentioned earlier in this report, I discovered further amounts due to the company from the director. It was originally stated that the director owed the business £50,010, however following my enquiries and further investigations it was discovered he had in fact owed the business £86,506 which has now been recovered in full.

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 £7,000 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 the same meeting, creditors also resolved that the liquidator be remunerated on a time cost basis together with VAT and disbursements. Time costs to the anniversary date of £16,285.50 (excluding VAT) have been incurred. This represents 52.9 hours administration by myself and my staff, at an average hourly rate of £307.85. Of this £14,900 has been paid.

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         | 2 00          | actual | n/a                             | 2 00          |
| Advertising              | 291 04        | actual | n/a                             | 218 92        |
| Bordereau insurance      | 144 00        | actual | n/a                             | 144 00        |
|                          | <u>437 04</u> |        | <u>n/a</u>                      | <u>364 92</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](http://www.carterclark.co.uk). The relevant guide for this liquidation is the one for liquidations post 6 April 2010. 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 made a distribution to unsecured creditors and issued a final report to creditors. I estimate that this will take approximately 3-6 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](mailto:ryan.sinclair@carterclark.co.uk)

Yours faithfully  
For and on behalf of L D L Management Limited



A J Clark  
Liquidator

**L D L Management Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

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|                             |                                   | 86,653 34                                | 86,653 34                                |
|                             | <b>COST OF REALISATIONS</b>       |  |  |
|                             | Preparation of S of A             | 7,000 00                                 | 7,000.00                                 |
|                             | Office Holders Fees - Time costs  | 14,900 00                                | 14,900 00                                |
|                             | Office Holders Expenses           | 364 92                                   | 364 92                                   |
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|                             |                                   | (22,297 02)                              | (22,297 02)                              |
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| (21,668 00)                 | HMRC - VAT                        | <u>NIL</u>                               | <u>NIL</u>                               |
|                             |                                   | NIL                                      | NIL                                      |
|                             | <b>DISTRIBUTIONS</b>              |  |  |
| (100 00)                    | Ordinary Shareholders             | <u>NIL</u>                               | <u>NIL</u>                               |
|                             |                                   | NIL                                      | NIL                                      |
| <b>(172,832.00)</b>         |                                   | <b><u>64,356.32</u></b>                  | <b><u>64,356.32</u></b>                  |
|                             | <b>REPRESENTED BY</b>             |  |  |
|                             | Fixed Current A/c                 |  | 62,576 32                                |
|                             | Vat Control Account               |  | <u>1,780 00</u>                          |
|                             |                                   |  | <b><u>64,356.32</u></b>                  |

Alan J Clark  
Liquidator