

Liquidator's Progress Report**Pursuant to section 92A, 104A, and 192 of the
Insolvency Act 1986****S. 192**

To the Registrar of Companies

Company Number

04342637

Name of Company

(a) Insert full name
of company

(a) PAVEMARK LIMITED - IN LIQUIDATION

(b) Insert full name(s)
and address(es)I (b) Stephen Katz of David Rubin & Partners LLP, 26 - 28 Bedford Row,
London, WC1R 4HEthe liquidator(s) of the company attach a copy of my/~~our~~ Progress Report
under section 192 of the Insolvency Act 1986The Progress Report covers the period from 21 December 2011 to 20
December 2012

Signed



Date

18/2/2013

Presenter's name,
address and reference
(if any)David Rubin & Partners LLP
26 - 28 Bedford Row
London WC1R 4HE

Tel 020 7400 7900

DX Number 267 DX Exchange London/Chancery Lane

WEDNESDAY



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20/02/2013

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COMPANIES HOUSE

IN THE MATTER OF
PAVEMARK LIMITED - IN LIQUIDATION

AND
THE INSOLVENCY ACT 1986

THE LIQUIDATOR'S FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
RULE 4.49C OF THE INSOLVENCY RULES 1986
FOR THE YEAR ENDED 20 DECEMBER 2012

PAVEMARK LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

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(a) Introduction

The Company was placed into liquidation by a Special Resolution of the members followed by a meeting of the creditors convened under section 98 of the Insolvency Act 1986 on 21 December 2011. This report provides an update on the progress in the liquidation for the year ended 20 December 2012.

Rule 4.49C-CVL(5): Progress Report

(b) Statutory Information

Company name	Pavemark Limited
Registered office	26-28 Bedford Row, London, WC1R 4HE
Company number	04342637
Trading address	4/8 Highgate High Street, London, N6 5LJ

(c) Liquidator's name and address:

Stephen Katz of David Rubin & Partners LLP, 26 - 28 Bedford Row, London, WC1R 4HE was appointed Liquidator of the Company on 21 December 2011.

(d) Liquidator's Remuneration

Basis of remuneration

- 1.1 At the first meeting of Creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.
- 1.2 In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates, exclusive of VAT, are as follows -

	£
Partners/Office holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

Chargeout rates are normally reviewed annually in November, 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.

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13 *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

(e) **Liquidator's remuneration**

My time costs for the year under review are £7,347.50. This represents 36.36 hours at an average rate of £200.75 per hour. I attach at Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

To date no liquidation fees have been drawn.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME p343 pav@sharesrvr.com PASSWORD vap*43P*

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following -

- i) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims
- ii) Collection, review and archiving of company books and records
- iii) Quarterly case reviews to ensure all outstanding matters are dealt with
- iv) Completing VAT reclaims
- v) Submitting corporation tax returns
- vi) Carrying out all necessary investigations, including the examination of the company's statutory books and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the directors pursuant to the requirements of the Company Directors Disqualification Act 1986
- vii) Corresponding with the Supervisor in respect of Mr Minton's Individual Voluntary Arrangement ('IVA')
- viii) Corresponding with the Supervisor of the Skyman Sacks and Bags Ltd Company Voluntary Arrangement ('CVA')

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(f) Liquidator's Expenses

Expenses incurred in the liquidation are explained at (g) below in my comments on the Receipts and Payments Accounts

(g) Details of progress for the period under review:

At the date of the liquidation the Company did not possess any tangible assets as it was acting as a holding company

At the time of the Company's liquidation there were a number of associated companies who owed funds to Pavemark Limited in respect of inter-company loans and guarantees. All of the companies have subsequently been placed into formal insolvency proceedings

Caratone Properties Limited, Wilton of London Limited, The Lynx Property Company Ltd, The Leopard Property Company Limited and Skygirl Limited were all placed into Creditors Voluntary Liquidation on 26 January 2012 and I was appointed Liquidator of each company. It is currently uncertain whether any funds will become available to unsecured creditors in each of the aforementioned Liquidations

MSW Collections Limited (formerly Minton Spring Water Limited) was also placed into Creditors Voluntary Liquidation on 13 November 2012 and I was appointed Liquidator. It is currently uncertain whether any funds will become available to unsecured creditors in this matter

Skyman Sacks and Bags Ltd ("SSB") proposed a Company Voluntary Arrangement which was approved by Creditors on 19 July 2012. John Kelmanson and Karyn Jones of Kelmanson Insolvency Solutions were appointed as Joint Supervisors of the Arrangement. The Proposals provided that the company would pay a lump sum into the Arrangement to be distributed to unsecured creditors. The Proposals reflected an estimated return to creditors of 0.08p in the £ and an unsecured claim in the amount of £76,746.11 has been submitted to the Supervisors

The Estimated Statement of Affairs also reflected an overdrawn Directors Loan Account in respect of Tony Minton of £75,432 with an estimated realisable value of nil. Subsequently, Mr Minton's estate has proposed an Individual Voluntary Arrangement ('IVA') which was approved by creditors on 29 June 2012 and John Kelmanson and Karyn Jones of Kelmanson Insolvency Solutions were again appointed as Joint Supervisors. The proposals provided that unsecured creditors would receive the benefit of a lump sum provided by Mr Minton's spouse in the amount of £20,000. The projected return to creditors was anticipated to be 0.9p in the £. On 1 November 2012 a first and final dividend was declared for unsecured in the amount of 0.77p in the £. Subsequently, funds totalling £577.18 were received in respect of the unsecured claim of £75,432

A Receipts and Payments Account is attached at Appendix A, which is further explained below

1. Receipts

1.1 Directors Loan Account

As noted above, I would report that £577.18 was received as first and final dividend in respect of Mr Minton's IVA. No further funds will be realised from this asset

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1.2 Cash held on appointment

The amount of £7,440 00 was held by my firm, prior to my appointment as Liquidator, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed below £4,800 was paid by the Company on account and the remaining balance of £2,640 was paid by Skyman Sacks and Bags Limited The funds paid by SSB were paid as a bond to be repaid from first unencumbered realisations To date, no funds have been repaid to SSB

1.3 Bank interest gross

Interest earned on the funds in hand amounts to £1 83

2. Payments

2.1 Statement of affairs fee

This fee relates to the assistance given to the directors of the Company in notifying and convening the members and creditors meetings under section 98 of the Insolvency Act 1986, and the preparation of the statement of affairs and directors' report to creditors This fee was approved at the first meeting of creditors

2.2 Petitioners Costs

A Winding Up Petition was presented by HM Revenue & Customs ('HMRC') against the Company and the hearing was to commence on the 16 January 2012 As the Company proceeded into liquidation on the 21 December 2011, it was agreed with HMRC that their petitioning costs be paid and the hearing dismissed Therefore, the amount of £830 was paid to cover their costs shortly after the liquidation

(h) Details of any assets that remain to be realised and outstanding matters

The case will remain open until we have received the final dividend payment from Skyman Sacks and Bags Ltd Company Voluntary Arrangement We will also continue to monitor the position relating to all of the related company liquidations as noted in (g) above

(i) Investigations

- 1 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS) As this is a confidential report, I am not able to disclose the contents
- 1 2 Shortly after my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire My examinations have not revealed any issues requiring further investigation

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(j) Creditors' rights – Rule 4.49E and Rule 4.131

- i) Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report
- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive

(k) Any other relevant information:

(i) (a) Secured creditors

The Company granted a Legal Charge to the Governor and Company of the Bank of Ireland. This was created on the 6 December 2005 and registered at Companies House on the 22 December 2005. They also granted the Bank of Ireland a Debenture which was also created on the 6 December 2005 and registered at Companies House on the 22 December 2005.

In addition to the above, the Bank of Ireland also holds a Deed of Assignment of Rent created on the 6 December 2005 and registered at Companies House on the 23 December 2005.

At present, no claim has been received from the charge holder.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts.

Based on present information, the Company's net property is less than the prescribed part minimum of £10,000, the Liquidator is of the view that the cost of making a distribution to Unsecured Creditors would be disproportionate to the benefits and that Section 176A(2) shall not apply.

(ii) Preferential creditors

There are no preferential creditors.

(iii) Unsecured creditors

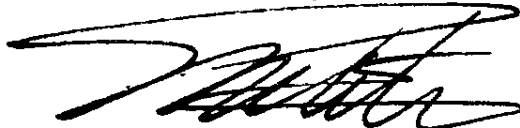
The claims of three unsecured creditors totalling £1,073,658.24 have been noted when received. Based on current information, it is unlikely that there will be a dividend payable to the unsecured non-preferential creditors.

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(I) Next Report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, James Galloway, or his assistant, Lauren Chesterton at this office



STEPHEN KATZ - LIQUIDATOR

DATE: 18 February 2013

PAVEMARK LIMITED - IN LIQUIDATION**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT****FROM 21 DECEMBER 2011 TO 20 DECEMBER 2012**

	<u>Estimated</u> <u>to realise</u> £	<u>Realised</u> <u>to-date</u> £	<u>Y/E</u> <u>20-Dec-12</u> £
<u>Receipts</u>			
Directors Loan Account	NIL	577 18	577 18
Cash held on Appointment	-	7,440 00	7,440 00
Bank Interest Gross	-	1 83	1 83
		<u>8,019 01</u>	<u>8,019 01</u>
<u>Payments</u>			
Petitioners Costs		830 00	830 00
Preparation of S of A		5,000 00	5,000 00
		<u>5,830 00</u>	<u>5,830 00</u>
Receipts less Payments			
		<u>2,189 01</u>	<u>2,189 01</u>
Represented by -			
Balance at bank			1,189 01
VAT Control Account			1,000 00
			<u>2,189 01</u>

PAVEMARK LIMITED - IN LIQUIDATION							
LIQUIDATOR'S TIME COSTS FOR THE PERIOD 21 DECEMBER 2011 TO 20 DECEMBER 2012							
SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Managers / Senior Managers	Administrators/ Senior Administrators	Cashiers	Total hours		
Statutory compliance, admin and planning	00 36	03 30	05 00	05 36	14 42	2,834 00	192 79
Investigations	00 12	02 00	15 00	00 06	17 18	3,341 00	193 12
Realisations of assets	00 18	02 00	00 00	00 00	02 18	618 50	268 91
Creditors	00 00	02 00	00 18	00 00	02 18	554 00	240 87
Total hours and costs	01 06	09 30	20 18	05 42	36 36	7,347 50	200 75

The above headings include *inter alia*

Administration and Planning

case planning
appointment notification
maintenance of records
statutory reporting and compliance
tax and VAT

Investigations

SIP2 review
reports pursuant to Company Directors Disqualification Act 1986
investigating antecedent transactions

Realisation of Assets

identifying and securing assets
debt collection
property, business and asset sales

Creditors

communications with creditors
creditors claims (including secured creditors, employees and preferential creditors)

Direct expenses ("Category 1 disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 disbursements")

It is normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP 9) to the case, where appropriate.

Postage and stationery circulars to creditors

Headed paper	25p per sheet	Envelopes	25p each
Photocopying	6p per sheet	Postage	Actual cost

Meeting Costs Use of Meeting Room is charged at £150 per session

Storage and Archiving

We use a commercial archiving company for storage facilities for company's records and papers. This is recharged to the estate at the rate of £10 per box per quarter, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £30 per hour.

Mileage incurred as a result of any necessary travelling is charged to the estate at the HM Revenue & Customs approved rate, currently 45p per mile.