

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company

Cashflow Acceleration Limited

Company number

04430683

In the
Leeds District Registry

(full name of court)

Court case number
1160 of 2013(a) Insert full
name(s) and
address(es) of
administrator(s)

We (a)

Lisa Jane Hogg
Wilson Field Limited
The Manor House
260 Ecclesall Road South
Sheffield
S11 9PS

Gemma Louise Roberts
Wilson Field Limited
The Manor House
260 Ecclesall Road South
Sheffield
S11 9PS

administrator(s) of the above company attach a progress report for the period

From

To

(b) 27 March 2014

(b) 23 September 2014

Signed

Joint / Administrator(s)

Dated

24 9.14

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Lisa Jane Hogg
Wilson Field Limited
The Manor House
260 Ecclesall Road South
Sheffield
S11 9PS

DX Number

01142356780
DX Exchange

WEDNESDAY



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01/10/2014

#274

COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

In the matter of Cashflow Acceleration Limited

And

In the matter of The Insolvency Act 1986 as amended by The Enterprise Act 2002

Joint Administrators' Final Progress report to creditors pursuant to Rule 2.110 of The Insolvency Rules 1986 as amended by The Insolvency (Amendment) Rules 2010

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1. Introduction

This report to creditors is made pursuant to Rule 2.110 of the Insolvency Rules 1986 as amended by the Insolvency (Amendment) Rules 2010 and covers the period 27 March 2014 to 23 September 2014

This report should be read in conjunction with Administrators' proposals which were circulated to all known creditors on 11 November 2013 and the report on the Administration progress report dated 04 April 2014

The proposals were subsequently agreed by creditors, confirmation of which was circulated to all known creditors on 28 November 2013

This report is prepared on an exception basis detailing only material changes from the last report

2. Company and Administrators' Details

Company name	Cashflow Acceleration Limited
Registered address	c/o Wilson Field Limited, the Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS
Other trading names of the company	-
Company number	04430683
Name of Court	Leeds District Registry
Court Reference Number	1160 of 2013
Name of Joint Administrator	Lisa Hogg and Gemma Roberts of Wilson Field Limited, the Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS
Date of Administrators Appointment	27 September 2013
Persons making appointment/application	Directors
Change in Office Holder	None
Acts of the Joint Administrators	The Joint Administrators act as officers of the Court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an Administrator may be done by any one or more persons holding the office of Administrator from time to time.
Term of office	There has been no extension to the initial period of appointment.

3. Progress during the Period

Attached at appendix A to this report is a receipts and payments account for the period 27 March 2014 to 23 September 2014

Sales/Commissions & Book Debts Pre Appointment

As previously detailed, the Company's major asset is its commissions due for providing introductions of commercial funders to small and medium businesses

The Company enters into agreements with the finance providers who pay commissions to the Company while ever the businesses continue to utilise the finance facility. As such invoices continue to be raised on a monthly basis with payment being made into the Company's former bank account with Santander

During the period covered by this report a net amount of £77,324 (£92,390 including VAT) has been received. Please note that the Statement of Affairs had detailed these as commission but they have been allocated to sales for the purpose of the Receipts and Payments account

The raising, collection and recovery of these invoices continues to be carried out by FundInvoice LLP and a fee of 20% plus VAT has been agreed for their assistance. During this period an amount of £17,814 has been paid to FundInvoice

In addition to the above, pre appointment debts totalling £5,204 had been received in the period prior to this report. On reconciling the account it became apparent that £203 had been incorrectly posted and has since been corrected

Cash at Bank & Suspense Account

The previous progress report advised that residual cash at bank of £1,745.54 has been realised from the Company's former banking facility at Santander. It also advised that some of the funds received could not be allocated to specific invoices and as such the funds had been placed into a suspense account. A full reconciliation has been carried out and the majority of these creditors have been allocated to sales

As at the date of appointment, a credit balance of £419 remained on the Company bank account. These funds have been received in full

Customer Database

In connection with the above commissions, the Company also maintained a database of customer details and records of various marketing strategies and contacts. As there may have been some value in this record, I duly placed this schedule with our agents, Charterfields Limited, to assess any value and achieve a sale thereof if possible

Following agents advice, a sale was accordingly agreed to FundInvoice LLP and full consideration of £2,100 has been received

Directors Loan Account

The Joint Administrators proposals detailed further information on the former Director's loan account, which by the year ended 31 March 2012, had totalled £401,894. A preliminary offer of £60,000 in full and final settlement of this account was received from Julie Blackman in respect of this sum

As previously advised, the Joint Administrators have instructed Allots accountants to reconstruct the Company's accounts from 2008 onwards to confirm the exact sum due from Julie Blackman and the

exact amount owed to HM Revenue & Customs Allots progress however has been hindered due to a lack of available records Whilst Allots continue to chase the missing information to allow them to fully reconcile the directors loan account, Fundinvoice LLP have agreed to allocate half of the monies due to under the collection arrangement to Julie Blackman This is beng processed through their payroll records and the balance, after tax and NIC, is being paid towards the repayment of the director's loan To date an amount of £6,752 has been received

4. Investigations

It is a statutory requirement that the Joint Administrators submit a report on the Directors conduct to The Insolvency Service, within six months of appointment The appropriate report has been submitted, however I am unable to comment on the content of the report

I confirm that I have investigated the affairs of the company in accordance with Statement of Insolvency Practice 4

As detailed above, the former Director maintained a loan account which had increased to approximately £401,000 as at appointment We are continuing with our investigations and negotiations on this matter and creditors will be advised of any developments in due course

5. Distributions

Secured creditors

The Company did not extend security to any of its creditors

Preferential Claims

A preferential claim of £598 has been received from the Redundancy Payments Office ("RPO")

Further preferential claims of £202 have been received in respect of arrears of wages and holiday pay which have not been paid in full by the RPO due to the statutory limits imposed

A dividend of 100p in the £ was paid to preferential creditors on 08 August 2014

Prescribed part

As the Company did not extend security to any of its creditors, the prescribed part is not applicable

Unsecured Claims

It was estimated that unsecured claims would amount to £230,756

Unsecured claims received to date total £472,119 Claims have yet to be formally agreed

It is anticipated a dividend will be available to unsecured creditors once the ongoing issues with the director's loan and unquantified HMRC claim has been resolved

6. Joint Administrators' Remuneration

Pre-Administration costs

On 26 November 2013, the general body of creditors approved the Joint Administrators pre-administration costs of £6,568 These have been drawn in full

Post-Administration costs

In accordance with Rule 2 106 the creditors agreed to the Joint Administrators remuneration being based on time properly given by the Joint Administrators and their staff

Attached at Appendix B is a detailed summary of our time costs during the period covered by this report of £23,187 comprising of 76 hours at an average charge out rate of £303. Also attached at Appendix B are details of the time costs incurred during the whole period totalling £82,780. Substantial time has been spent in the monitoring and reconciling of the commission payments. Further substantial time has been incurred in the investigations into the Company's affairs and director's loan account, which will result in further realisations for the benefit of unsecured creditors.

To date, fees of £80,903 have been drawn. The details of the charge out rates and disbursements is attached at Appendix C.

The Administration expenses for the period are as follows (* denotes that they are Category 2 disbursements) -

	Expenses Incurred £		Expenses Drawn £
Bond	80 00		80 00
Statutory Advertising	67 00		67 00
Agents Fees	20,663 69		20,663 69
Total	20,810.69		20,810.69

In addition to the above, I have also drawn the following, relating to expenses incurred prior to the period covered by this report -

	Expenses Drawn £
Storage & Collection of books and records *	518 10
Bond	80 00
Legal Fess	2,070 00
Mileage	116 02
Total	2,784.04

Within 21 days of receipt of this progress report a creditor may request further information regarding the Joint Administrators remuneration and expenses. Any request must be in writing and may be made by either a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors, or the permission of the court.

Any remaining monies will be utilised towards the Joint Administrators outstanding time costs.

If any further realisations are made subsequent to the Joint Administrators vacating office, the former Administrators' remuneration and expenses shall be charged against the same in accordance with paragraph 99 of Schedule B1 of the Insolvency Rules 1986.

7. Conclusion

In accordance with the initial proposal sent to creditors on 11 November 2013 the company was moved to creditor's voluntary liquidation under paragraph 83 of Schedule B1 of the Insolvency Act 1986 on 23 September 2014

Yours faithfully



Lisa Hogg

Joint Administrator

Acting as agent of the company without personal liability

Enc

Lisa Jane Hogg and Gemma Louise Roberts of Wilson Field Ltd were appointed Joint Administrators to Cashflow Acceleration Limited on 27 September 2013. The affairs, business and property of the company are being managed by the Joint Administrators without personal liability

Cashflow Acceleration Limited – In Administration

Appendix A

**Cashflow Acceleration Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs	From 27/03/2014 To 23/09/2014	From 27/09/2013 To 23/09/2014
POST APPOINTMENT SALES		
Sales	77,324 29	161,547 65
	<u>77,324 29</u>	<u>161,547 65</u>
TRADING SURPLUS/(DEFICIT)	<u>77,324.29</u>	<u>161,547.65</u>

Cashflow Acceleration Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 27/03/2014 To 23/09/2014	From 27/09/2013 To 23/09/2014
	ASSET REALISATIONS		
1,000 00	Furniture & Equipment	NIL	NIL
	Book Debts - pre appointment	(200 72)	5,204 07
	Cash at Bank	(1,061 17)	418 98
	Interest	2 77	4 82
	Bank Interest Net of Tax	32 66	45 97
	Trading Surplus/(Deficit)	77,324 29	161,547 65
	Suspense Account	(270 83)	NIL
222,727 00	Commissions	NIL	NIL
60,000 00	Ex Directors Loan	6,751 83	6,751 83
	Sundry Refund	NIL	12 00
	Customer Database	2,100 00	2,100 00
		<u>84,678 83</u>	<u>176,085 32</u>
	COST OF REALISATIONS		
	Specific Bond	160 00	172 00
	Liquidators fees	NIL	NIL
	Pre administration fee	NIL	6,568 00
	Administrators fees	22,750 00	80,902 67
	Agents/Valuers Fees (1)	20,663 69	34,757 98
	Legal Fees (1)	2,070 00	7,170 00
	Document Upload Fees	NIL	100 00
	Postage, stationary, photocopying	NIL	140 00
	Search Fees	NIL	40 00
	Travel expenses	116 02	116 02
	Storage and collection of records	518 10	1,658 90
	Statutory Advertising	67 00	201 00
	PAYE & NI	40 40	40 40
	Bank Charges	478 26	669 48
		<u>(46,863 47)</u>	<u>(132,536 45)</u>
	PREFERENTIAL CREDITORS		
(3,474 41)	DE Arrears & Holiday Pay	557 18	557 18
(727 14)	Employee Arrears/Hol Pay	202 42	202 42
		<u>(759 60)</u>	<u>(759 60)</u>
	UNSECURED CREDITORS		
(7,800 00)	Trade & Expense Creditors	NIL	NIL
(5,918 49)	Employees	NIL	NIL
(22,755 90)	Dept of Employment	NIL	NIL
(1,364 79)	Santander	NIL	NIL
(158,666 94)	HM Revenue and Customs - VAT	NIL	NIL
(1,250 00)	Associate Loans	NIL	NIL
(33,000 00)		<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(200 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
48,569 33		<u>37,055.76</u>	<u>42,789.27</u>

REPRESENTED BY

Vat Receivable
Bank 1 Current
Vat Payable

1,315 08
44,416 79
(2,942 60)

42,789.27



Lisa Jane Hogg
Joint Administrator

Time Entry - Detailed SIP9 Time & Cost Summary

CASH01A - Cashflow Acceleration Limited
From 27/03/2014 To 23/09/2014
Project Code POST

Classification of Work Function	Directors & IPs	Manager & Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADAP Appointment	0.00	1.00	0.00	0.00	1.00	300.00	300.00
ADCA Cashiering	1.20	5.30	0.00	11.72	18.22	215.52	215.52
ADCR Case Reviews	2.00	1.20	0.00	0.00	3.20	1,360.00	425.00
ADDI Directors/Client	0.00	5.70	0.00	0.00	5.70	1,764.00	309.47
ADGA File Maintenance	0.00	0.00	0.10	2.45	2.55	272.00	106.67
ADSC Statutory and Compliance	0.00	0.20	0.10	0.00	0.30	70.00	233.33
Admin and Planning	3.20	13.40	0.20	14.17	30.97	7,692.00	248.40
CREM Employees	0.50	1.00	1.30	0.50	3.30	859.00	260.30
CRTV Tax and VAT	0.50	0.50	0.00	0.30	1.30	436.00	335.38
REIS Identifying Securing and Insuring	2.00	0.00	0.00	0.00	2.00	1,000.00	500.00
Case Specific Matters	3.00	1.50	1.30	0.80	6.60	2,285.00	347.73
CRCL Creditors Claims	0.00	0.70	0.00	1.10	1.80	364.50	202.50
CRCO Communications with Creditors	0.00	1.00	4.00	0.00	5.00	1,340.00	268.00
Creditors	0.00	1.70	4.00	1.10	6.80	1,704.50	250.66
INDR CDDA Report	2.30	0.00	0.00	0.25	2.55	1,157.50	453.92
INRE Investigation and Review	5.40	3.80	2.70	0.00	11.90	4,303.00	361.50
Investigations	7.70	3.80	2.70	0.25	14.45	5,460.50	377.89
REDG Debt Collection	2.00	13.20	0.00	0.30	15.50	5,149.50	332.23
REPB Property Business and Asset Sales	0.20	0.40	0.00	0.00	0.60	210.00	350.00
Realisation of Assets	2.20	13.60	0.00	0.30	16.10	5,359.50	332.89
TRAC Accounting for Trading	1.50	0.00	0.00	0.00	1.50	675.00	450.00
Trading	1.50	0.00	0.00	0.00	1.50	675.00	450.00
Total Hours	17.60	34.00	8.20	16.62	76.42	23,186.50	303.42

Time Entry - Detailed SIP9 Time & Cost Summary

CASH01A - Cashflow Acceleration Limited
From 27/09/2013 To 23/09/2014
Project Code POST

Classification of Work Function	Directors & I.P.s	Manager & Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADAP Appointment	2.50	1.00	0.83	0.00	4.33	1,766.67	407.69
ADCA Cashing	1.40	8.15	0.10	21.58	31.23	6,320.00	202.35
ADCR Case Reviews	2.30	1.20	0.00	0.00	3.50	1,495.00	427.14
ADDI Director/Client	2.00	5.70	0.17	4.00	11.87	3,947.33	332.64
ADGA File Maintenance	1.30	0.00	19.43	8.33	29.07	6,422.00	220.94
ADSC Statutory and Compliance	9.63	0.20	3.97	0.00	13.80	5,798.33	420.17
ADSO Strategic Overview	0.80	1.30	0.00	0.00	2.10	750.00	357.14
Admin and Planning	19.93	17.55	24.50	33.92	95.90	26,499.33	276.32
CREM Employees	0.50	1.00	2.80	0.50	4.80	1,249.00	260.21
CRTV Tax and VAT	4.40	0.50	5.17	0.30	10.37	3,729.34	359.74
REIS Identifying Securing and Insuring	15.70	0.00	0.00	0.00	15.70	7,815.00	497.77
Case Specific Matters	20.60	1.50	7.97	0.80	30.87	12,793.34	414.47
CRCL Creditors Claims	0.00	0.70	1.50	1.10	3.30	719.50	218.03
CRCO Communications with Creditors	0.60	1.00	8.47	0.00	10.07	2,780.33	276.19
Creditors	0.60	1.70	9.97	1.10	13.37	3,499.83	261.83
INDR CDDA Report	2.30	0.00	2.00	0.25	4.55	1,537.50	337.91
INRE Investigation and Review	10.90	3.80	16.37	10.90	41.97	10,854.83	258.65
Investigations	13.20	3.80	18.37	11.15	46.52	12,392.33	266.41
REDC Debt Collection	8.40	13.20	12.63	1.30	35.53	11,556.16	326.09
REPB Property Business and Asset Sales	28.00	2.20	3.33	0.00	33.53	15,261.67	455.12
Realisation of Assets	36.40	15.40	15.97	1.30	69.07	26,019.83	389.77
TRAC Accounting for Trading	1.50	0.00	0.00	0.00	1.50	675.00	450.00
Trading	1.50	0.00	0.00	0.00	1.50	675.00	450.00
Total Hours	92.23	39.95	76.77	48.27	257.22	82,779.66	321.83

Cashflow Acceleration Limited – In Administration

Appendix C

Wilson Field Limited Charge out Rates and Disbursement Policy

WILSON FIELD LIMITED CHARGE OUT RATES AND DISBURSEMENT POLICY

In accordance with the statement of insolvency practice covering fees and disbursements, we are required to disclose to you our policy for recovering non-specific disbursements, and the charge out rates for the various grades of staff who may be involved in this case

Hourly Charge Out Rates

Directors/Insolvency Practitioner	£350 – 500
Managers & Senior Managers	£260 – 400
Administrators and Senior Administrators	£120 – 240
Secretarial & Support	£100 – 130

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed above, at the meeting of creditors

In common with all professional firms, our charge out rates increase from time to time. We reserve the right to change the rates without prior notice to you. Any change will be reported in the next statutory report to creditors.

All time is recorded in 6 minute units

Rechargeable Disbursements

Category 2 disbursements – as defined in SIP 9 – requiring prior approval of creditors

Postage, stationery, photocopying etc	£10 per member and creditor per year (or part year)
Room Hire where meeting held at Wilson Field office	£100 (£150 for London)
Storage of books and records	£6 per box per month
Mileage	45p per mile
Collection of books and records	£30 per hour
Companies House search fees	£10 per search document
Land Registry On-Line search fees	£10 per document
Document Upload Centre charge	£150
Registering of restrictions on property	£150* per restriction *
Removal of a restriction on a property	£50* per restriction
Property Transfer Fees	£250* per transfer
Issuing winding up petitions	£1,000*
Issuing bankruptcy petitions	£1,000*
Insolvency software fee	£150 per year (or part year)

*These category 2 disbursements are in relation to profit cost only. Any category 1 disbursement in respect of these such as Court Fees, Deposit fees, Land Registry fees will also be recovered at the prevailing rates.

The office holder(s) will seek approval from creditors to draw these disbursements at the creditors meeting.

These rates are applicable on all insolvency appointments from 1 February 2014 until further notice.