

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

04613736

Name of Company

Comms Factory Limited

I / ~~we~~

Malcolm Cohen, 55 Baker Street, London, W1U 7EU

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 22/09/2016 to 10/05/2017

Signed



Date

10.5.17

BDO LLP
55 Baker Street
London
W1U 7EU

Ref: 00256277/MAC/SMB/CH

TUESDAY



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16/05/2017

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COMPANIES HOUSE

**Comms Factory Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 22/09/2016 To 10/05/2017	From 22/09/2015 To 10/05/2017
	<u>NIL</u>	<u>NIL</u>
REPRESENTED BY		<u>NIL</u>

Note:

A distribution in specie of the intercompany debtor balance of £16,625 owed to the Company was made on 10 May 2017.



Malcolm Cohen
Liquidator



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TO ALL SHAREHOLDERS

10 May 2017

Our Ref 7/SMB/BT

Please ask for Sharon Bloomfield
Direct line: 020 7893 2905
Email: sharon.bloomfield@bdo.co.uk

Dear Sirs

Comms Factory Limited ("the Company") - In Members' Voluntary Liquidation
Company Number: 04613736

In accordance with the provisions of Section 94 of the Insolvency Act 1986, I present, for your information, my final progress report on the liquidation for the period 22 September 2016 to 10 May 2017.

This report should be read in conjunction with my first annual progress report dated 26 September 2016.

Statutory Information

I, Malcolm Cohen, of BDO LLP, 55 Baker Street, London, W1U 7EU was appointed as Liquidator of the Company on 22 September 2015.

The Company's registered number is detailed above. The Company was formerly known as MPSB Holdings Limited, and changed to its present name on 10 July 2003. It does not have any other trading styles.

Prior to liquidation, the Company's principal trading address and registered office was 81 Newgate Street, London, EC1A 7AJ. Its registered office was changed to 55 Baker Street, London, W1U 7EU following my appointment.

The Company is a wholly owned subsidiary of the British Telecommunications plc Group ("BT").

Receipts and Payments

There have been no receipts and payments in the period under review.

The Declaration of Solvency sworn by the Company's directors detailed its sole asset was an intercompany debtor balance of £22,625. The Company also owes £6,000 to a group company. The balance of £16,625 was distributed in specie before the conclusion of the liquidation.

HM Revenue & Customs ("HMRC")

I am required to obtain clearances that there are no outstanding matters, and no objections to the final meeting of members being convened from both the Corporation Tax office, and HMRC's

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Enforcement & Insolvency Service ("EIS") which provides VAT and PAYE clearances, and also issues HMRC's overall claim in respect of all taxes.

The Company was part of the BT VAT group, and I have received confirmation from HMRC that the Company was removed from the group as at the date of liquidation. I received clearances from EIS in December 2015.

I received final corporation tax clearances in October 2016, but in November 2016 was advised by HMRC that the Company had a credit on its PAYE/RTI scheme for the sum of £9,220.96. I made enquiries of both BT and HMRC in this regard. It has transpired that the Company's PAYE scheme had been closed on 20 May 2013 when the Company was acquired by its present shareholder.

To avoid the costs of opening and administering a liquidation bank account for the Company, with BT's agreement, I requested that the refund be paid directly to BT. I received confirmation that this had been received by them on 21 March 2017.

Other Matters

As described in my earlier progress report, I had been advised that the Company held a charging order over a property and had received a request that this be discharged. Investigations into this matter concluded that the charging order had been granted prior to the Company's acquisition by the BT group, and had not been included in the sale and purchase agreement as the debt had been written off.

As a result, the debt was rightly payable to the original vendor of the Company to BT. The debt was settled and the charge made application to remove the charge. This was granted on 10 November 2016.

Distribution

As stated above, a distribution in specie of the intercompany balance owed to the Company was made before the final meeting is held. This represented a distribution of £110.83 per share.

Liquidator's Remuneration

Pursuant to the Insolvency Rules 1986, the Liquidator is obliged to fix his remuneration in accordance with Rule 4.148A(2) of the Insolvency Rules 1986. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Liquidator and the staff have spent attending to matters in the liquidation; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above.

My remuneration was approved on a fixed fee basis on the date of my appointment. However, as I have been required to deal with matters outside the scope of my engagement I will seek to recover my time costs in this matter. Time costs for the entire period of the liquidation incurred by myself and my staff total £9,561.95 represented by 21 hours of work at an average hourly rate of £445.33.

My staff and I have spent time on matters arising in the normal course of the liquidation. The main areas dealt with include:

- liaising with the Company and BT in relation to matters prior to the Liquidator's appointment;
- statutory reporting requirements to members;
- statutory reporting requirements to the Registrar of Companies;
- dealing with statutory advertising requirements;
- liaising with the Company and BT to arrange submission of corporation tax returns for the pre-liquidation periods;
- correspondence with HMRC to ensure that the Company was removed from the BT VAT group;
- correspondence with HMRC in order to obtain the necessary clearances to close the liquidations;
- correspondence with HMRC and BT regarding the refunds;
- liaison with BT and TalkTalk to ensure settlement;
- investigation into the charging order and resolution of the matter;
- corresponding with BT and providing updates of the progress of the liquidation;
- preparation of the annual progress report;
- declaring the distribution in specie;
- convening and holding the final meeting of members.

The costs, including disbursements as detailed below, will be met by an appropriate BT company as the Company does not hold any cash assets.

Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements.

The sum of £776.70 has been incurred in respect of category 1 disbursements for statutory advertising costs and the costs of the indemnity bonding.

Members' Rights

I provide at the end of this report an extract from the Insolvency Rules 1986 setting out the rights of members to request further information and/or challenge the remuneration or expenses within the liquidations.

Liquidation Closure

The member was invited to consider the following resolutions:

1. That the Liquidator's reports and accounts to 10 May 2017 be and are hereby approved.
2. That the Liquidator is authorised to dispose of the Company's books and records one year after the dissolution of the Company.
3. The Liquidator is released.

The resolutions were all duly approved.

Further Information

If you have a complaint you should address it in the first instance to the Senior Partner, BDO LLP, 55 Baker Street, London W1U 7EU. If you are still dis-satisfied, complaints to the office holder's regulatory body should be made via the Insolvency Service Complaints Gateway

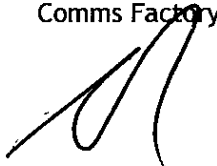
Complaints to the single Complaints Gateway may be made either by:

- calling the Insolvency Service Enquiry Line on 0845 602 9848 (Monday to Friday 8am to 5pm), or
- completing and emailing the online complaints form on the Insolvency Service website <http://www.insolvencydirect.bis.gov.uk/contactus/ipcomplaint/complaintform.htm>, or
- completing the online complaints form and posting it to: IP Complaints, Insolvency Service, 3rd Floor, 1 City Walk, Leeds, LS11 9DA.

For more details, please visit: <https://www.gov.uk/complain-about-insolvency-practitioner>

If you have any queries please contact Sharon Bloomfield as detailed above.

Yours faithfully
For and on behalf of
Comms Factory Limited



Malcolm Cohen
Liquidator
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Statement from the Insolvency Rules 1986 (as amended) regarding the rights of members in respect of the Liquidators' fees and expenses:**Rule 4.49E Creditors' and members' request for further information****(1) If-**

- (a) within the period mentioned in paragraph (2)–
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
- (b) with the permission of the court upon an application made within the period mentioned in paragraph (2)–
 - (i) any unsecured creditor, or
 - (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4.49B(1)(e) or (f) (including by virtue of Rule 4.49C(5)) or in a draft report under Rule 4.49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter[s] in a draft report under Rule 4.49D or a progress report required by Rule 4.108 which (in either case) was previously included in a progress report not required by Rule 4.108.

(2) The period referred to in paragraph (1)(a) and (b) is-

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4.108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case.

(3) The liquidator complies with this paragraph by either-

- (a) providing all of the information asked for, or
- (b) so far as the liquidator considers that–
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information.

Rule 4.148C Members' claim that remuneration is excessive**(1) Members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or any member with the permission of the court, may apply to the court for one or more of the orders in paragraph (6) on the grounds that–**

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.148A, or

- (c) expenses incurred by the liquidator,
is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate.
- (2) Application must, subject to any order of the court under Rule 4.49E(5), be made no later than 8 weeks (or 4 weeks when the liquidator has resigned in accordance with Rule 4.142) after receipt by the applicant of the report or account which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").
- (3) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application; but it must not do so unless the applicant has had the opportunity to attend the court for a hearing of which the applicant has been given at least 5 business days' notice but which is without notice to any other party.
- (4) If the application is not dismissed under paragraph (3), the court must fix a venue for it to be heard and give notice to the applicant accordingly.
- (5) The applicant must at least 14 days before the hearing send to the liquidator a notice stating the venue and accompanied by a copy of the application and of any evidence which the applicant intends to adduce in support of it.
- (6) If the court considers the application to be well-founded, it must make one or more of the following orders—
 - (a) an order reducing the amount of remuneration which the liquidator was entitled to charge;
 - (b) an order fixing the basis of remuneration at a reduced rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation;
 - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify;and may make any other order that it thinks just; but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.
- (7) Unless the court orders otherwise, the costs of the application must be paid by the applicant and are not payable as an expense of the liquidation.