

**Deanfield Solutions Ltd - In Creditors' Voluntary Liquidation
Joint Liquidator's Progress Report to Creditors and Members
For the year ending 14 October 2014**

STATUTORY INFORMATION

Company name	Deanfield Solutions Ltd
Registered office	King Street House 15 Upper King Street Norwich NR3 1RB
Former registered office	1 Station Road Brundall Norwich NR13 5LA
Registered number	05708829
Joint Liquidators' names	Andrew Anderson Kelsall and David Nigel Whitehead
Joint Liquidators' address	King Street House 15 Upper King Street Norwich NR3 1RB
Joint Liquidators' date of appointment	15 October 2013
Court	Norwich County Court
Court number	357 of 2013

JOINT LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

Since my appointment, I have undertaken investigations into the affairs of the Company. I can confirm that the Director had an overdrawn loan account at the date of Liquidation and had also paid a dividend to himself whilst there were insufficient reserves due to a tax liability of £619,112.80. I had initial conversations with the Director regarding a settlement of the loan and tax liability in which he did not believe he had to repay.

I subsequently lost contact with the Director as he did not reply to any correspondence. I attempted to contact him by several means however none were successful. I considered instructing an enquiry agent in order to locate the Director, however the Director later restored contact and responded with regards to my enquiries.

I have instructed my solicitors Mills & Reeve LLP to assist me in pursuing the Director with regards to the above. I have liaised with my solicitor and the former Company accountant with regards to the declaration of the dividend and the overdrawn loan account along with reviewing the papers passed to me from the Official Receiver, which includes previous correspondence from the Director with regards to the same. My solicitor has advised that I should pursue the Director.

My solicitor is currently awaiting a response from the Director with regards to the repayment of the overdrawn account and unlawful dividend.

I have also realised the funds held in the Company bank account of £10,678.24.

THURSDAY



QIQ 27/11/2014 #104
COMPANIES HOUSE

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 15 October 2013 to 14 October 2014 attached at Appendix 1

The Company is VAT registered, thus the figures shown are exclusive of VAT where applicable

ASSETS

Cash at bank

I have received funds of £10,678 24 which were held in the Company's bank account

Bank interest net of tax

I have received bank interest of £10 48 net of tax in respect of the funds held in the Insolvency Services Account

Claim against Director

At the date of the Liquidation, there was an overdrawn loan account of £299,957 00 owing from the Director. In addition to this, a final dividend was paid to the shareholder of £366,000 00 on 26 June 2013 immediately prior to the petition from HM Revenue and Customs on 01 July 2013. I am of the opinion that the Director would have been aware of the HMRC liability at the time of making the dividend and this would constitute as an unlawful dividend.

My solicitor has recently written to the director setting out the position with regards to the overdrawn loan account of £299,597 00 and the unlawful dividend of £366,600 00, and has requested his proposals to repay the amount. My solicitor has not yet received a response from the Director.

Motor vehicle

The report from the Official Receiver indicated that the Company had an Aston Martin which was worth £11,500 00. I have been advised from the Company accountant that the Director purchased this and it forms part of the outstanding loan account.

LIABILITIES

SECURED CREDITORS

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

PETITIONING CREDITOR

I confirm that £1,995 00 is owed to HM Revenue & Customs in respect of their petitioning creditor costs.

Please note that I will shortly be paying the petitioning creditor and therefore the payment is not shown on the attached Receipts and Payments Account.

PREFERENTIAL CREDITORS

There are no preferential creditors.

CROWN CREDITORS

The Official Receiver's report included £619,112 80 owed to HMRC. HMRC's final claim of £1,516,401 58 has been received.

NON-PREFERENTIAL UNSECURED CREDITORS

There are no other non-preferential unsecured creditors

DIVIDEND PROSPECTS

ORDINARY UNSECURED CREDITORS

I am not yet aware if there will be sufficient funds available for a dividend to the unsecured creditors. The likelihood of a dividend will depend on whether my claim against the Director is successful.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

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.

There were no matters that justified further investigation in the circumstances of this appointment.

JOINT LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 08 November 2013 to be drawn on a time cost basis. My total time costs to 14 October 2014 amount to £7,215.76, representing 41.75 of hours work at an average charge out rate of £172.83 per hour.

I have drawn £2,990.30 to date. Please note a credit note has been raised since the period of this report for £350.00.

A schedule of my time costs incurred for the reporting period is attached as Appendix 2.

A description of the routine work undertaken since my appointment as Joint Liquidator is as follows:

- 1 **Administration and Planning**
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
- 2 **Cashiering**
 - Maintaining and managing the Liquidator's cashbook and bank account
 - Ensuring statutory lodgements are met
- 3 **Creditors**
 - Dealing with creditor correspondence and telephone conversations
 - Maintaining creditor information on IPS
- 4 **Investigations**
 - Review and storage of books and records
 - Conducting investigations into suspicious transactions
 - Liaising with the Company accountant with regards to dividends paid to the shareholder
 - Liaising with my solicitors regards to my claim against the Director
- 5 **Realisation of Assets**
 - Liaising with the Company's bank regarding the closure of the account
- 6 **Reporting**
 - Preparing reports to members and creditors
 - Convening and holding meetings of members and creditors

7 Shareholders/Directors

- Dealing with Shareholder/Director correspondence and telephone conversations

A copy of 'A Creditors' Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals, together with an explanatory note which shows Larking Gowen's fee policy are available at <http://www.larking-gowen.co.uk/service/service/business-recovery> Please note that there are different versions of the Guidance Notes, and in this case you should refer to the post 6 April 2010 version. A hard copy of both documents can be obtained on request from this office.

JOINT LIQUIDATORS' EXPENSES

My expenses to 14 October 2014 amount to £1,005.00

I have drawn £1,005.00 to date

FURTHER INFORMATION

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 Joint Liquidators' 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' 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.

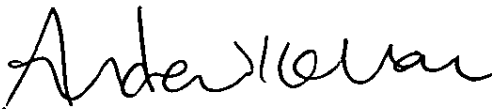
SUMMARY

The Liquidation will remain open in order that I can continue to pursue my claim against the Director.

Should you have any queries please contact Becca Smith on 01603 624 181.

At Larking Gowen we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. If you should have cause to complain about the way that we are acting, you should, in the first instance, put details of your complaint in writing to our complaints officer Ian Webster, Larking Gowen, King Street House, 15 Upper King Street, Norwich, NR3 1RB. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

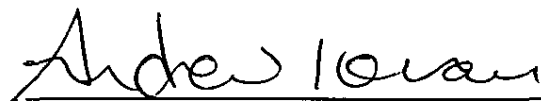
Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner, or you can email ip.complaints@insolvency.gov.uk, or you may phone 0845 602 9848 - calls are charged at between 1p and 10.5p per minute from a land line, or for mobiles, between 12p and 41p per minute if you're calling from the UK.



A A Kelsall
Joint Liquidator

Deanfield Solutions Ltd
(In Liquidation).
Joint Liquidators' Abstract of Receipts & Payments
To 14/10/2014

S of A £	£	£
ASSET REALISATIONS		
Cash at Bank	10,678 24	
Petitioners Deposit	1,165 00	
Bank Interest Net of Tax	10 48	
		11,853 72
COST OF REALISATIONS		
O R Remuneration	2,235 00	
DTI Cheque Fees	1 10	
Sec of State Fees	3,573 00	
Office Holders Fees	2,990 30	
Office Holders Expenses	1,005 00	
DTI Quarterly Charges	88 00	
Corporation Tax	2 10	
		(9,894 50)
		1,959.22
REPRESENTED BY		
Vat Receivable		799 06
ISA NIB		1,160 16
		1,959.22



Andrew Anderson Kelsall
Joint Liquidator

Deanfield Solution Limited
PERIOD FROM 15/10/2013 TO 14/10/2014

SIP9 - ANALYSIS OF TIME COSTS INCURRED

Classification of Work Function	Hours						Cost £	Average Rate £
	Partner	Director	Assistant Manager	Administrator	Assistant	Total Hours		
Administration & Planning	2 05	5 00	2 00	2 30	7 90	19 25	2995 76	155 62
Cashiering	0 00	0 00	0 00	0 30	0 75	1 05	69 50	66 19
Creditors	0 00	0 00	0 10	0 95	1 00	2 05	185 50	90 49
Investigations	6 00	5 75	0 30	0 80	0 50	13 35	3294 50	246 78
Realisation of Assets	0 00	0 50	0 70	3 60	0 00	4 80	569 00	118 54
Reporting	0 00	0 00	0 00	0 00	0 20	0 20	7 00	35 00
Shareholders/Directors/Debtor	0 00	0 00	0 00	0 45	0 60	1 05	94 50	90 00
Total Hours	8 05	11 25	3 10	8 40	10 95	41 75		
Total Costs / Average Rate							£7 215 76	172 83

ANALYSIS OF DISBURSEMENTS

Type and Purpose	Total £	Unbilled £	Billed £
<u>Category 1</u>			
Bonding	930 00	0 00	930 00
Statutory Advertising	75 00	0 00	75 00
<u>Category 2</u>			
None	0 00	0 00	0 00
Total	1 005 00	0 00	1 005 00