

**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

06051161

Name of Company

Advantage (GP) Limited

I/We

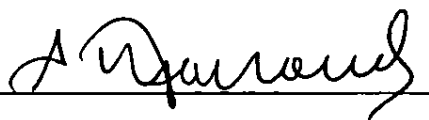
Alan Fallows, 1 City Road East, Manchester, M15 4PN

Peter James Anderson, 1 City Road East, Manchester, M15 4PN

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 04/09/2015 to 03/09/2016

Signed



Date

2/11/14

Kay Johnson Gee Corporate Recovery Limited
1 City Road East
Manchester
M15 4PN


Ref ADVA01/ADF/PJA/DRM/SEM/LG

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COMPANIES HOUSE

**Advantage (GP) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 04/09/2015 To 03/09/2016
	ASSET REALISATIONS	
23,000 00	Book Debts	5,379 82
NIL	Investment in PxP West Midlands LP	NIL
NIL	Investment in Cobalt Park	NIL
3,698 00	Deposits with Utility Companies	3,958 86
4,200 00	VAT Refund	NIL
132,000 00	Cash at Bank	133,502 10
	Bank Interest	234 26
		<u>143,075 04</u>
	COST OF REALISATIONS	
	Statement of Affairs Fee	6,000 00
	Office Holders Disb	93 21
	Office Holders Fees	24,103 00
	London Gazette Advertising	356 44
	Bank Charges	10 34
		<u>(30,562 99)</u>
	FLOATING CHARGE CREDITORS	
(6,973,409 00)	B Loan Notes & interest owing to HCA	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(15,088,238 00)	A Loan Notes owing to HCA	NIL
(1,477,126 50)	Loan from Langtree Midwest Ltd to Par	NIL
(15,088,238 00)	A Loan Notes owing to Langtree Midw	NIL
(1 00)	Trade Creditors	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(1,000 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(38,465,114.50)</u>		<u><u>112,512.05</u></u>
	REPRESENTED BY	
	Vat Receivable	5,553 24
	Current A/c	106,958 81
		<u>112,512.05</u>


 Alan Fallows
 Joint Liquidator

**Joint Liquidators' Annual
Progress Report to
Creditors & Members**

Advantage (GP) Limited - In Liquidation

21 October 2016

ADVANTAGE GP LTD - IN LIQUIDATION

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- B Time Analysis for the Period from the 4 September 2015 to 3 September 2016
- C Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements

ADVANTAGE GP LTD - IN LIQUIDATION

1 Introduction and Statutory Information

- 1 1 I, Alan Fallows, together with my partner Peter James Anderson, of Kay Johnson Gee Corporate Recovery Limited, 1 City Road East, Manchester, M15 4PN, was appointed as Joint Liquidator of Advantage (GP) Limited (the **Company**) on 4 September 2015. This progress report covers the period from 4 September 2015 to 21 October 2016 (the **Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1 2 The principal trading address of the Company was Centrix House, Crow Lane East, Newton-Le-Willows, Warrington, WA12 9UY. The Company acted as the general partner for PxP West Midlands Limited Partnership (PxP). A number of creditors are owed monies from PXP and not the Company. As the partnership dissolved upon the Liquidation, any debt owed by PXP is now owed by the Company.
- 1 3 The registered office of the Company has been changed to Kay Johnson Gee, 1 City Road East, Manchester, M15 4PN and its registered number is 06051161.

2 Progress of the Liquidation

- 2 1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2 2 At Appendix A is my Receipts and Payments Account for the period of this report.

Administration

- 2 3 The liquidators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes dealing with the Company's creditors and employees together with administrative tasks associated with the appointment, such as agreeing the strategy for the liquidation, filing notices of appointment, statutory advertising, opening and maintaining the estate cashbook and bank accounts and reporting periodically to creditors, HMRC and the Registrar of Companies.
- 2 1 Creditors should note that this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.
- 2 2 It has been clear from the outset that many creditors have been confused by the fact that debts owed by PXP are in fact owed by the Company.
- 2 3 PXP have continued to receive large amounts of post and demands for payment and significant time has been spent dealing with this matter and clarifying the legal status of the outstanding debts.

ADVANTAGE GP LTD - IN LIQUIDATION

2 4 Significant time has been spent chasing up book debts and liaising with the appointed Debt collection agents with respect to the collection of these debts

2 5 In addition, significant time has been spent dealing with a VAT assessment raised by HM Revenue and Customs ("HMRC") in the sum of £4,125,747. It was not foreseen that any monies were outstanding to HM Revenue and Customs and after some time investigating this matter with the former Directors, the accountants and HMRC, it was apparent that the assessment was raised due to the failure of the Company to complete a Final VAT return. I have since submitted this return and await confirmation from HMRC that the balance outstanding to them is nil.

Realisation of Assets

Book Debts

2 6 The Company's debtor ledger indicated an outstanding balance of £23,000. To date, I have realised the sum of £5,379.82.

2 7 A number of debtors have disputed the fact that debts were outstanding and have provided proof of payment or stated that they had since moved out of the premises that incurred charges.

2 8 I intend to liaise with the appointed Debt Collector to examine whether any further debts can be realised but it is likely that the majority of the realisable book debts have now been collected.

Investments in PxP West Midlands LP & Cobalt Park

2 9 As stated in the Directors' initial report to creditors, the Company has a 0.1% (or £2) investment in PxP West Midlands Limited Partnership, and as a general partner of the limited partnership, is considered to have control over it. However, the dissolution of the partnership took place following the Liquidation of the general partner. The investment will cease to exist and therefore has no value.

2 10 The Company also holds an investment of £1 in Cobalt Park Ltd, being the entire issued share capital. However, an application to strike the Company off the register was filed with Companies House and the company was struck off the register on 25 August 2015. There were no assets available to be realised and no prospect of a distribution. As a result, the investment holds no value.

Deposit with Utility Companies

2 11 I have received the sum of £3,958.86 in relation to refunds on utility accounts held at a number of properties owned by the Company.

ADVANTAGE GP LTD - IN LIQUIDATION

VAT Refund

- 2 12 The partnership has submitted a VAT Return prior to the Liquidation and is due to receive the sum of £4,200. Upon the dissolution of the partnership, the asset will transfer to become an asset owing to the Company. This matter is still ongoing.

Cash at Bank

- 2 13 I have received the sum of £133,502.10 in respect of monies held in the Limited Partnerships bank account.

Bank Interest

- 2 14 The sum of £234.26 has been received in respect of bank interest accrued on the case bank account.
- 2 15 It is anticipated that the work the Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and/or unsecured creditors of the Company.
- 2 16 Based on the above, I currently anticipate the total expenses that may be incurred in dealing with the remainder of the Company's asset realisations to be approximately £3,000.

Creditors (claims and distributions)

- 2 17 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2 18 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2 19 The above work will not necessarily bring any financial benefit to creditors generally, however the Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidators in dealing with those claims.

ADVANTAGE GP LTD - IN LIQUIDATION

Investigations

- 2 20 Some of the work the Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors
- 2 21 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents
- 2 22 Shortly after 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 s98 meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors

3 Creditors

Secured Creditors

- 3 1 The Homes and Communities Agency (HCA) holds a floating charge over the Company's assets. At the date of the liquidation the indebtedness to the secured creditor was estimated at £6,973,409

Preferential Creditors

- 3 2 The Company had no preferential creditors

Unsecured Creditors

- 3 3 I have received claims totalling £ 31,656,839 from 5 creditors. I have yet to receive claims from 12 creditors whose debts total £8,358.15 as per the Company's statement of affairs
- 3 4 As mentioned at Point 3 1, the Company granted a floating charge to HCA on 30 September 2011
- 3 5 Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**)
- 3 6 Based on present information, I estimate the value of the Company's net floating charge property to be £103,632. Arising from this, the value of the unsecured creditors' fund is

ADVANTAGE GP LTD - IN LIQUIDATION

presently estimated to be £23,726 Please note that this estimate is subject to fluctuation and the final outcome can only be determined once all asset realisations have been made

3 7 Please note that although a Notice of Intended Dividend was issued to creditors on 25 May 2016, I was unable to make any dividend payment within the required two months owing to the outstanding matter of the VAT claim from HMRC of £4,125,747 Although I have now submitted a Final VAT return which should reduce the claim to nil, I have yet to receive confirmation from HMRC of their revised claim

3 8 As soon as this matter is resolved, I intend to issue another Notice of Intended Dividend to the creditors who have not yet proved in the Liquidation

4 Joint Liquidators' Remuneration

4 1 The Creditors approved that the basis of the Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation

4 2 My time costs for the Period are £28,943 This represents 111.63 hours at an average rate of £259.29 per hour Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the liquidation To date, £24,103 has been drawn on account

4 3 In considering the remaining work to be done in this liquidation, I currently anticipate that my time costs to complete the liquidation will be approximately £25,000 I will update creditors on this in my next progress report

4 4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://kjgllp.com/Liquidators-fees/>

4 5 Attached as Appendix C is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers

5 Creditors' Rights

5 1 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 Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report

ADVANTAGE GP LTD - IN LIQUIDATION

- 5.2 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, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive

6 Next Report

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

Yours faithfully



Alan Fallows

Joint Liquidator

Advantage (GP) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 03/09/2016

Appendix A

S of A £		£	£
	ASSET REALISATIONS		
23,000 00	Book Debts	5,379 82	
NIL	Investment in PxP West Midlands LP	NIL	
NIL	Investment in Cobalt Park	NIL	
3,698.00	Deposits with Utility Companies	3,958 86	
4,200 00	VAT Refund	NIL	
132,000 00	Cash at Bank	133,502 10	
	Bank Interest	234 26	
		<hr/>	143,075 04
	COST OF REALISATIONS		
	Statement of Affairs Fee	6,000 00	
	Office Holders Disb	93 21	
	Office Holders Fees	24,103 00	
	London Gazette Advertising	356 44	
	Bank Charges	10 34	
		<hr/>	(30,562 99)
	FLOATING CHARGE CREDITORS		
(6,973,409 00)	B Loan Notes & interest owing to HCA	NIL	
		<hr/>	NIL
	UNSECURED CREDITORS		
(15,088,238 00)	A Loan Notes owing to HCA	NIL	
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(15,088,238 00)	A Loan Notes owing to Langtree Midwest	NIL	
(1 00)	Trade Creditors	NIL	
		<hr/>	NIL
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	NIL	
		<hr/>	NIL
<hr/>			<hr/>
(38,465,114.50)			112,512.05
	REPRESENTED BY		
	Vat Receivable		5,553 24
	Current A/c		106,958 81
			<hr/>
			112,512.05
			<hr/>

Time Entry - SIP9 Time & Cost Summary

Appendix B

ADVA01 - Advantage (GP) Limited
Project Code POST
From 04/09/2015 To 03/09/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	12.85	3.50	0.00	0.00	11.70	0.00	28.05	8,332.00	297.04
Case Specific	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	1.50	0.00	0.00	5.13	8.40	0.00	15.03	3,048.00	202.86
Creditors	0.65	4.80	0.00	0.00	16.20	0.00	21.65	5,011.00	231.45
Investigation	8.90	0.00	0.00	0.00	4.50	0.00	13.40	4,372.00	326.27
Realisation of Assets	0.20	3.00	0.00	0.00	21.50	0.00	24.70	5,556.00	224.94
Statutory Compliance	4.00	0.00	0.00	0.00	4.50	0.00	8.50	2,510.00	295.29
Trading	0.30	0.00	0.00	0.00	0.00	0.00	0.30	114.00	380.00
Total Hours	28.40	11.30	0.00	5.13	66.80	0.00	111.63	28,943.00	259.29
Total Fees Claimed								24,103.00	
Total Disbursements Claimed								0.00	

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements**1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment
- 1.3 On this case we are proposing to use the services of the following sub-contractors

Service (s)	Provider	Basis of fee arrangement	Cost to date
Book debt collection	Commercial Asset Management	Fixed Fee	Nil

2 Joint Liquidators' Expenses & Disbursements

- 2.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below

	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising	365 44	-	505 44
Specific penalty bond	117 60	117 60	117 60
Office Holders Disbursements	93 21	-	93 21

- 2.2 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 2.3 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage

ADVANTAGE GP LTD - IN LIQUIDATION

or business mileage Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above

3 Charge-Out Rates

3 1 Kay Johnson Gee Corporate Recovery Limited's current charge-out rates effective from 1 October 2016 are detailed below Please note this firm records its time in minimum units of 6 minutes

3 2 Below are details of this firm's charge out rates which have been applied with effect from 1 April 2015

Role	Charge out rate per hour £
Partner	380 00
Senior Manager	300 00
Manager	250 00
Assistant Manager	220 00
Administrator	180 00
Junior/Support Staff	120 00

3 3 Please note that this firm records its time in minimum units of 6 minutes