

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

06718786

Name of Company

European Freight Solutions Limited

I / We

Jeffrey Mark Brenner, Concorde House, Grenville Place, Mill Hill, London , NW7 3SA

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 20/01/2015 to 19/01/2016

Signed

JM 12

Date

3 2.16

B&C Associates Limited
Concorde House
Grenville Place
Mill Hill
London
NW7 3SA

Ref 5430/JB/BM

THURSDAY



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04/02/2016

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COMPANIES HOUSE

European Freight Solutions Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 20/01/2015 To 19/01/2016
	ASSET REALISATIONS	
NIL	Plant & Machinery	NIL
Uncertain	Book Debts	NIL
1,325 00	Cash at Bank	1,284 21
9,600 00	Cash held on appointment	9,600 00
	Bank Interest Gross	2 25
		<u>10,886 46</u>
	COST OF REALISATIONS	
	Statement of affairs fee	9,000 00
	Office Holders Fees	NIL
	Office Holders Expenses	543 60
		<u>(9,543 60)</u>
	UNSECURED CREDITORS	
(180,170 00)	Trade & Expense Creditors	NIL
(286,000 00)	Director - Sanjiv Jain	NIL
(50,070 00)	H M Revenue & Customs - PAYE/NIC	NIL
(12,000 00)	Former Director - Mr Hasmukh Patel	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(40,000 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(557,315 00)</u>		<u><u>1,342.86</u></u>
	REPRESENTED BY	
	Vat Receivable	108 72
	Bank 1 Current Account	1,234 14
		<u>1,342 86</u>



Jeffrey Mark Brenner
Liquidator

Liquidator's Annual Progress Report to Members & Creditors

**EUROPEAN FREIGHT SOLUTIONS LIMITED
- IN LIQUIDATION
FOR THE YEAR ENDED 19 JANUARY 2016**

REPORT DATED 03 FEBRUARY 2016

EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION

CONTENTS

- 1 Introduction and Statutory Information
- 2 Realisation of Assets
- 3 Investigations
- 4 Creditors
- 5 Liquidator's Remuneration
- 6 Liquidator's Expenses
- 7 Creditors' Rights
- 8 Next Report

APPENDICES

- A Receipts and Payments Account from 20 January 2015 to 19 January 2016
- B Time Analysis for the period 20 January 2015 to 19 January 2016
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

1 Introduction and Statutory Information

1.1 I, Jeffrey Mark Brenner of B&C Associates Limited Concorde House, Grenville Place, Mill Hill, London, NW7 3SA, was appointed as Liquidator of European Freight Solutions Limited ("the Company") on 20 January 2015. This report provides an update on the progress in the liquidation for the year ended 19 January 2016.

1.2 The principal trading address of the Company was Rapat House, Amberley Way, Hounslow, Middlesex, TW4 6BH.

1.3 The registered office of the Company has been changed to Concorde House, Grenville Place, Mill Hill, London, NW7 3SA and its registered number is 06718786.

2 Realisation of Assets

Attached at Appendix A is my Receipts and Payments Account for the period from 20 January 2015 to 19 January 2016.

2.1 Plant & Machinery ("P&M")

As per the Directors' estimated Statement of Affairs ("SoA") the P&M had a book value ("BV") of £15,125 with an estimated to realise value ("ETR") of nil. The P&M relates to office equipment, computers, printers, fixtures and fittings and no surplus is likely to be realised as the Landlord exercised distraint over these items due to arrears in rent.

2.2 Book Debts

The SoA showed book debts with a BV of £250,478 and an uncertain ETR value. The director advised in the initial report that this was due to the fact that the sales were re-directed to Unicorn Shipping Limited ("Unicorn"), systematic application of credit notes were passed across the ledger, or both. Unicorn was a company that almost the entire business and workforce had moved to and were also a tenant in the same building as the Company and a substantial debtor. The director believed that the ledger was inaccurate, however, to date and after numerous requests a detailed debtor ledger has not been provided to the Liquidator. Despite limited information available, the Liquidator is instructing Credit Limits International ("CL") to assist with the collection of book debts.

2.3 Cash at Bank

The sum of £1,284.21 was received from the company's bank account.

EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION

2.4 Cash held on Appointment

The sum of £9,600 was held on appointment to assist with the costs of the winding up of the company

2.5 Bank Interest Gross

The sum of £2.25 was received on funds held in the Liquidation current account

3 Investigations

3.1 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

3.2 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 initial meeting or as a response to my request to complete an investigation questionnaire

3.3 Investigations have highlighted various transactions which require further investigation by the Liquidator. Irwin Mitchell Solicitors have been instructed in this matter and the investigations are currently ongoing. It is uncertain, at this stage, whether any realisations will be achieved

4 Creditors

Preferential Creditors

4.1 A summary of preferential claims is detailed below

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Department for Business Innovation & Skills (BIS)	£3,162.04	Nil	Nil

Unsecured Creditors

4.2 I have received claims totalling £15,016 from 7 creditors. I have yet to receive claims from 13 creditors whose debts total £68,820 as per the directors' statement of affairs

4.3 I would confirm that at this stage a dividend to creditors is uncertain pending the outcome of the investigations

EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION

5 Liquidator's Remuneration

5.1 The Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation

5.2 My time costs for the period from 20 January 2015 to 19 January 2016 are £7,892.50. This represents 42.50 hours at an average rate of £185.71 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation.

To date, no sums have been drawn on account of these costs due to insufficient funds.

5.3 The time spent on this case relates to the following matters -

- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditor claims
- Investigation into the affairs of the Company
- Preparation and submission of statutory reports to the Department of Business Innovation & Skills
- Updating the insolvency computer system
- Case reviews and statutory compliance which includes submissions to Companies House
- Liaising with valuation agents
- Liaising with Solicitors in relation to investigation into the affairs of the company

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.icaew.com/en/technical/insolvency/creditors-guides

5.4 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.

EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION

6 Liquidator's Expenses

6.1 Statement of Affairs Fee

The sum of £10,000 plus VAT relates to 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. To date a sum of £9,000 plus VAT has been drawn on account of this fee.

6.2 Office Holders Expenses

Disbursements have been incurred in accordance with SIP9, these disbursements are defined by two categories. Category 1 disbursements relate to direct expenses and Category 2 disbursements relate to indirect expenses, further details of these disbursements are attached at Appendix C.

The table below sets out the disbursements incurred and paid from the date of my appointment to date -

	Expenses Incurred £	Expenses Paid £
Category 1 Disbursements		
Statutory Advertising	216 00	216 00
Land Registry	6 00	6 00
Specific Bond	60 00	60 00
Companies House – Statutory Products	4 00	4 00
	<u>286 00</u>	<u>286 00</u>
Category 2 Disbursements		
Meeting Rooms	52 50	52 50
Initial case set up cost	10 00	10 00
IPS Accounting system charge	15 00	15 00
Telephone	10 00	10 00
Circularisation to creditors & others	170 10	170 10
	<u>257 60</u>	<u>257 60</u>

7 Creditors' rights

7.1 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 Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.

EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION

- 7.2 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 circumstances, 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

8 Next Report

- 8.1 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 members and creditors

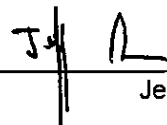


J M BRENNER
LIQUIDATOR
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**EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION
RECEIPTS AND PAYMENTS ACCOUNT
FROM 20 JANUARY 2015 TO 19 JANUARY 2016**

European Freight Solutions Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 20/01/2015 To 19/01/2016	From 20/01/2015 To 19/01/2016
	ASSET REALISATIONS		
NIL	Plant & Machinery	NIL	NIL
Uncertain	Book Debts	NIL	NIL
1,325 00	Cash at Bank	1,284 21	1,284 21
9,600 00	Cash held on appointment	9,600 00	9,600 00
	Bank Interest Gross	2 25	2 25
		<u>10,886 46</u>	<u>10,886 46</u>
	COST OF REALISATIONS		
	Statement of affairs fee	9,000 00	9,000 00
	Office Holders Fees	NIL	NIL
	Office Holders Expenses	543 60	543 60
		<u>(9,543 60)</u>	<u>(9,543 60)</u>
	UNSECURED CREDITORS		
(180,170 00)	Trade & Expense Creditors	NIL	NIL
(286,000 00)	Director - Sanjiv Jain	NIL	NIL
(50,070 00)	H M Revenue & Customs - PAYE/NIC	NIL	NIL
(12,000 00)	Former Director - Mr Hasmukh Patel	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(40,000 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(557,315.00)		<u><u>1,342.86</u></u>	<u><u>1,342 86</u></u>
	REPRESENTED BY		
	Vat Receivable		108 72
	Bank 1 Current Account		1,234 14
			<u><u>1,342.86</u></u>



 Jeffrey Mark Brenner
 Liquidator

**EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION
TIME ANALYSIS FOR THE PERIOD
FROM 20 JANUARY 2015 TO 19 JANUARY 2016**

SIP 9 - Time & Cost Summary

Period 20/01/15 19/01/16

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	2 80	0 00	8 50	1 00	12 30	2 549 50	207 28
Case Planning	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Appointment	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Appointment Notification	0 00	0 00	2 50	0 00	2 50	412 50	165 00
Maintenance of Records	0 00	0 00	1 30	0 00	1 30	214 50	165 00
Statutory Reporting	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Administration & planning	2 80	0 00	12 30	1 00	16 10	3 176 50	197 30
Investigations	0 00	0 00	12 70	0 00	12 70	2,095 50	165 00
SIP 2 Review	0 00	0 00	0 00	0 00	0 00	0 00	0 00
CDDA Report	1 80	0 00	0 00	0 00	1 80	657 00	365 00
Antecedence Transactions	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Investigations	1 80	0 00	12 70	0 00	14 50	2,752 50	189 83
Realisation of Assets	0 00	0 00	0 90	0 00	0 90	148 50	165 00
Ident Securing, Insuring	0 00	0 00	0 00	0 00	0 00	0 00	0 00
ROT	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Debt Collection	0 00	0 00	0 70	0 00	0 70	115 50	165 00
Sale of Prop, Bus & Ass	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	0 00	0 00	1 60	0 00	1 60	264 00	165 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading Management of Operation	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Accounting for Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading On-going Employee Issue	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
creditors	0 00	0 00	2 90	0 00	2 90	478 50	165 00
Communication	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Employees Claims inc, prefs	0 00	0 00	4 60	0 00	4 60	759 00	165 00
Creditors	0 00	0 00	7 50	0 00	7 50	1,237 50	165 00
Case Specific	0 00	0 00	2 80	0 00	2 80	462 00	165 00
Case Specific 1	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case Specific 2	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	2 80	0 00	2 80	462 00	165 00
Total Hours	4 60	0 00	36 90	1 00	42 50	7 892 50	185 71
Total Fees Claimed						0 00	

SIP 9 - Time & Cost Summary

Period 20/01/15 19/01/16

Category 2 Disbursements

Other amounts paid or payable to the office holder's firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type And Purpose	Amount
19/11/15	Meeting room	52 50
19/11/15	Initial case set up costs	10 00
19/11/15	IPS Accounting system charges	15 00
19/11/15	Telephone	10 00
19/11/15	Circularisation of creditors	170 10
<hr/>		
	Total	257 60

**EUROPEAN FREIGHT SOLUTIONS LIMITED - IN LIQUIDATION
ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES
PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE NO 9**

1 Policy

Detailed below is B&C Associates Limited's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

1 1 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 Director, Manager, Senior and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Seniors/Assistants may be allocated to meet the demands of the case.

We are not proposing to utilise the services of any sub-contractors in this case.

1 2 Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Irwin Mitchell LLP (legal advice)	Conditional Fee Arrangement
Credit Limits International (debt collectors)	% of realisations

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1 3 Disbursements

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.

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 or business mileage.

1.4 Charge-out rates

A schedule of B&C Associates Limited charge-out rates from January 2016 is detailed below,

B & C ASSOCIATES LIMITED
DETAILS OF CHARGE OUT RATES & POLICY REGARDING THE
RECHARGE OF DISBURSEMENTS – JANUARY 2016

The current hourly charge-out rates applicable to this appointment (excluding VAT) are

	£
Directors	365
Managers	325
Administrators	165
Assistants	125
Juniors	75

All time costs are charged in units of 6 minutes

Charge out rates, and rates for indirect expenses (see below), are normally reviewed annually in December with any changes taking effect from 1 January. Charges take into account such matters as inflation, increases in salary costs and changes to indirect costs such as Professional Indemnity Insurance.

Direct Expenses (“Category 1 disbursements”)

Category 1 disbursements are defined by Statement of Insolvency Practice No9 (SIP9) as those which can be specifically identified as relating to the administration of the case and are charged at cost, with no uplift. These include, but are not limited to, such items as statutory advertising, bond and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case - typically travel costs.

Indirect Expenses (“Category 2 disbursements”)

Category 2 disbursements are also defined by SIP9 and relate to payments made by B&C Associates Limited, which include an element of shared or allocated costs. Typical examples relate to photocopying and correspondence. On this case the following costs may be incurred:

	£	
Circularisation to creditors & others	2 70	per circular
Meeting Rooms	50 00	usage charge
IPS Accounting system charge	15 00	per annum
Telephone	10 00	per annum
Faxes	0 40	per fax
Letters out other than circulars	1 00	per letter
Initial case set up costs	10 00	per case
Car Mileage	0 45	per mile