

7361853

*liquidate  
liquidator's  
Progress  
Report.*

*25.9.13 - 24.9.14*

# BRAD BAKER LIMITED IN LIQUIDATION

## JOINT LIQUIDATORS' PROGRESS REPORT

24 SEPTEMBER 2014

### CONTENTS

#### SECTIONS

- 1 PURPOSE OF REPORT
- 2 JOINT LIQUIDATORS' APPOINTMENT
- 3 COMPANY DETAILS
- 4 RECEIPTS AND PAYMENTS SUMMARY
- 5 CREDITORS' CLAIMS
- 6 PRESCRIBED PART
- 7 DIVIDEND PROSPECTS FOR CREDITORS
- 8 CONDUCT OF THE WINDING UP
- 9 JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS
- 10 JOINT LIQUIDATORS' STATEMENT OF EXPENSES
- 11 CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE REMUNERATION OR EXPENSES

#### APPENDICES

- A STATUTORY INFORMATION
- B SUMMARY OF RECEIPTS AND PAYMENTS
- C BAKER TILLY RESTRUCTURING AND RECOVERY LLP'S CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT
- D. CURRENT CHARGE OUT AND DISBURSEMENT RATES
- E CATEGORY 2 DISBURSEMENTS TABLE
- F STATEMENT OF EXPENSES INCURRED BY THE JOINT LIQUIDATORS IN THE PERIOD FROM 25 SEPTEMBER 2013 TO 24 SEPTEMBER 2014
- G. TIME COST ANALYSIS

WEDNESDAY



QIQ 26/11/2014 #35  
COMPANIES HOUSE

# **BRAD BAKER LIMITED IN LIQUIDATION**

## **JOINT LIQUIDATORS' PROGRESS REPORT**

**24 SEPTEMBER 2014**

---

### **1. PURPOSE OF REPORT**

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the company with information relating to the progress of the liquidation in the period from 25 September 2013 to 24 September 2014. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Rule 4.49B of the Insolvency Rules 1986 (as amended). The purpose of the report is to provide creditors and members with information relating to the progress of the Winding Up in the period from 25 September 2013 to 24 September 2014. It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the company. Any estimated outcomes for creditors are illustrative and may be subject to significant change. Neither the Joint Liquidators nor Baker Tilly Restructuring and Recovery LLP or Abbott Fielding Limited accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

### **2. JOINT LIQUIDATORS' APPOINTMENT**

Nedim Ailyan of Abbott Fielding Limited and Nigel Fox of Baker Tilly Restructuring and Recovery LLP were appointed Joint Liquidators of Brad Baker Limited on 25 September 2012 by The Secretary of State.

### **3. COMPANY DETAILS**

We attach as Appendix A an extract of information from the company's file held at Companies House.

### **4. RECEIPTS AND PAYMENTS SUMMARY**

We attach as Appendix B a summary of our receipts and payments for the period from 25 September 2013 to 24 September 2014.

#### **VAT Basis**

Receipts and payments are shown net of VAT as the company was not VAT registered, and consequently VAT is not recoverable from HM Revenue and Customs.

## **5. CREDITORS' CLAIMS**

### **Secured creditors**

There are no secured creditors

### **Preferential creditors**

There are no preferential creditors.

### **Unsecured creditors**

To date claims totalling £661,000 have been received from unsecured creditors. It is currently uncertain whether there will be sufficient realisations to enable a distribution to be made in this regard and accordingly creditors' claims have not yet been agreed.

## **6. PRESCRIBED PART**

The "Prescribed Part" is a statutory amount of the company's assets subject to a floating charge to be set aside for the benefit of the Company's non-preferential creditors

There are no creditors secured by charges over the assets and undertakings of the company created on or after 15 September 2003. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended)

## **7. DIVIDEND PROSPECTS FOR CREDITORS**

It is currently uncertain whether there will be sufficient realisations to enable a distribution to be made to unsecured creditors

## **8. CONDUCT OF THE WINDING UP IN THE PREVIOUS TWELVE MONTHS**

### **Investigation**

Brad Baker Limited ("BB") is connected to the principal company, Tullett Brown Limited ("TB") by virtue of a common director and shareholder, Bradley Ferry

BB was a conduit company used by the company's director, Bradley Ferry, to receive monies from TB. The Joint Liquidators have carried out extensive investigations and interviews in respect of the conduct of Bradley Ferry and other parties connected to TB who similarly drew monies from TB using conduit companies.

Due to the corporate structure, all of the claims (including those against Bradley Ferry) have been pursued by the Joint Liquidators in their capacity as Joint Liquidator of TB. The potential claims identified against those involved with officers of TB and by inference the director of BB, totalled £2.1 million

Bradley Ferry has agreed a settlement in the sum of £10,000 in respect of his liability on all of the companies. The Joint Liquidators will apportion the recoveries and costs

between the various connected companies, however, this cannot happen until recoveries from all of the connected parties are complete

The Joint Liquidators' investigations in respect of BB have now been concluded, however, this case will remain open until all of the Joint Liquidators' investigations have completed in respect of the connected companies

## **9. JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS**

### **9.1 Basis of Remuneration**

The basis of the Joint Liquidators' remuneration was approved by creditors on 30 November 2012, when the following resolution was passed

"The Liquidators be remunerated by reference to time properly spent in dealing with matters relating to the liquidation, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken".

### **9.2. Remuneration and Disbursements incurred in the period from 25 September 2013 to 24 September 2014**

In accordance with insolvency legislation we are required to report remuneration 'charged' This reflects the time charged and is the maximum that can be taken in fees by the Joint Liquidators It does not necessarily reflect the amount of remuneration that will ultimately be taken by the Joint Liquidators in remuneration. If there are insufficient realisations to allow the Joint Liquidators remuneration to be recovered in full, any balance will be written off. Details of any write off will be set out in the final report.

#### **9.2.1. Joint Liquidators' remuneration**

Both firms have incurred time costs of £2,827 in respect of work done in the current period (a summary of which is set out in appendix G) Details of the sums drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account (appendix B)

Attached are the following

- Appendix C: Baker Tilly Restructuring and Recovery LLP's and Abbott Fielding Limited's Charging, Expenses and Disbursements Policy Statement
- Appendix D Joint Liquidators' Charge Out and Disbursement Rates,
- Appendix E: Category 2 Disbursements Table; and
- Appendix G Joint Liquidators' Time Cost Analysis for the period set out above.

### **9.2.2. Joint Liquidators' disbursements**

The basis of the Joint Liquidators drawing disbursements was approved by creditors on 30 November 2012, when the following resolution was passed:

"The Liquidators be authorised to charge Category 2 disbursements in accordance with the policy provided to creditors".

Appendix D details disbursements incurred in this period together with disbursements incurred in any previous periods.

### **9.3. Total remuneration incurred and paid to date since appointment**

Both firms have incurred time costs of £9,279 since the date of our appointment in accordance with the resolution set out above. Of this, a total of £9,279 remains outstanding

Although the resolution approved by creditors entitles me to recover remuneration based upon time costs by reference to matters arising in the Winding Up, it is unlikely that these costs will be recovered in full.

## **10. JOINT LIQUIDATORS' STATEMENT OF EXPENSES**

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period together with cumulative figures.

## **11. CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE REMUNERATION OR EXPENSES**

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Creditors' Guide to Liquidators' Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed by following the links within our website. Please note that a hard copy of any document uploaded to our website can be requested.

Should you have any further queries please do not hesitate to contact Matthew Vanderman at this office



**Nigel Fox**  
**Baker Tilly Restructuring and Recovery LLP**  
**Joint Liquidator**

Nigel Fox is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

## **APPENDIX A**

### **STATUTORY INFORMATION**

COURT & REFERENCE	In the High Court of Justice No 2786 of 2012
COMPANY NAME	Brad Baker Limited
COMPANY NUMBER	07361853
DATE OF INCORPORATION	01/09/2010
TRADING ADDRESS	Not Applicable
PRINCIPAL ACTIVITY.	Sale of land
REGISTERED OFFICE:	Baker Tilly Restructuring and Recovery LLP, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ

**Brad Baker Limited  
(In Liquidation)**

**JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 25/09/2013 To 24/09/2014 £	From 25/09/2012 To 24/09/2014 £
<b>RECEIPTS</b>			
Cash at Bank		0 00	8 18
Deposit on Creditors Petition		0 00	1,165 00
		<u>0 00</u>	<u>1,173 18</u>
<b>PAYMENTS</b>			
Official Receiver's Administration Fee		0 00	2,235 00
Secretary of State Fees		66 00	154 00
Secretary of State Fees (ISA Charges)		0 00	567 50
		<u>66 00</u>	<u>2,956 50</u>
Net Receipts/(Payments)		<u>(66 00)</u>	<u>(1,783 32)</u>
<b>MADE UP AS FOLLOWS</b>			
ISA NIB		(66 00)	(1,783 32)
		<u>(66 00)</u>	<u>(1,783 32)</u>

Note



### BAKER TILLY RESTRUCTURING AND RECOVERY LLP

#### CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT

##### Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for Baker Tilly Restructuring and Recovery LLP Southampton are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

##### Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest in require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements.
- A resolution to consider approving "Category 2" disbursements at the rates prevailing at the time the cost is incurred to Baker Tilly Restructuring and Recovery LLP Southampton will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

## APPENDIX D

### BAKER TILLY RESTRUCTURING AND RECOVERY LLP JOINT LIQUIDATORS' CHARGE OUT AND DISBURSEMENT RATES

HOURLY CHARGE OUT RATES			
Rates at commencement		Current rates	
	£		£
Partner and director	350 to 435	Partners	350 to 435
Associate director, manager & supervisor	235 to 310	Directors / Associate directors	320 to 375
Other senior professionals	130 to 195	Managers	265
Support staff	105	Administrators	110 to 195
		Support staff	105

“CATEGORY 2” DISBURSEMENT RATES	
Stationery	4p, 3p, 35p per envelope, letterhead or label
Photocopying	5p per page
Postage	actual 1st or 2nd class
Faxes	50p per page
Storage	£7 20 per box per year
Room hire	£100 fixed charge
Car mileage	45p per mile

## **Abbott Fielding Limited**

Time costs are calculated using 6 minute units. Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

### **Charge-out Rates**

	Period from 1 July 2011	Period from 1 January 2014
Partners	£325	£335
Managers	£240 - 275	£250 - 285
Administrators	£210	£220
Support Staff	£150	£160

### **Disbursements recovered by Abbott Fielding**

Insolvency practitioners are required to divide the expenses incurred in an insolvency assignment into two categories. These are described below, together with examples of the type of expenses relating to each category.

#### **CATEGORY 1**

Category 1 Disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. It will also include services specific to the case where these cannot practicably be provided internally, such as printing, room hire and document storage. Information relating to a specific Category 1 disbursement can be provided where reasonably requested.

#### **CATEGORY 2**

Category 2 Disbursements are those where costs are recovered which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. These are identified and subject to approval by those approving the Insolvency Practitioner's remuneration. Such expenses should be of an incidental nature and directly incurred on the case. Where Category 2 disbursements are drawn there will be a reasonable method of calculation and allocation, for example a comparison with the cost of external provision of the expenses. The basis for charging Category 2 disbursements will be disclosed to creditors and authorised by those responsible for approving the Insolvency Practitioner's remuneration. Abbott Fielding will not be seeking to recover Category 2 disbursements in this case.

## APPENDIX E

### JOINT LIQUIDATORS' CATEGORY 2 DISBURSEMENTS TABLE

#### BAKER TILLY RESTRUCTURING AND RECOVERY LLP

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, Type and Purpose	Paid	Unpaid
	£	£
Bond premium	Nil	60 00
Mileage	Nil	18 90
<b>Total</b>	<b>Nil</b>	<b>78 90</b>

## APPENDIX F

### STATEMENT OF EXPENSES INCURRED BY THE JOINT LIQUIDATORS IN THE PERIOD FROM 25 SEPTEMBER 2013 TO 24 SEPTEMBER 2014

Type and Purpose	Incurred in Period
	£
Mills & Reeve LLP – Investigation into conduct of director	Nil
<b>Total</b>	<b>Nil</b>

NB There have been no legal costs incurred directly to this case as all of the costs incurred by Mills & Reeve LLP have been allocated to Tullet Brown Limited. The Joint Liquidators will apportion the costs between the various Liquidations, however, this cannot occur until recoveries from all of the connected parties are complete.

## **APPENDIX G**

### **JOINT LIQUIDATORS' TIME COST ANALYSIS**

#### **FOR THE PERIOD FROM 25 SEPTEMBER 2013 TO 24 SEPTEMBER 2014**

Please note that Baker Tilly Restructuring LLP has re-designed its SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. This change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

# Restructuring & Recovery SIP9 Summary Level 2

Brad Baker Limited

1050864 / 702 - CCLQ001 - Compulsory Liquidation

For the period 25/09/2013 to 24/09/2014

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Jan 2003										
	<b>Administration and Planning</b>									
	Case Management	0.0	0.0	1.6	0.0	1.1	0.1	2.8	£ 675.50	241.25
	<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>1.6</b>	<b>0.0</b>	<b>1.1</b>	<b>0.1</b>	<b>2.8</b>	<b>£ 675.50</b>	<b>241.25</b>
	<b>Creditors</b>									
	Other Creditor Meetings and Reports	0.5	0.0	0.6	0.0	3.8	0.0	4.9	£ 1,144.50	233.57
	Unsecured Creditors	0.0	0.0	0.0	0.0	2.1	0.0	2.1	£ 346.50	165.00
	<b>Total</b>	<b>0.5</b>	<b>0.0</b>	<b>0.6</b>	<b>0.0</b>	<b>5.9</b>	<b>0.0</b>	<b>7.0</b>	<b>£ 1,491.00</b>	<b>213.00</b>
	<b>Total Hours (From Jan 2003)</b>	<b>0.5</b>	<b>0.0</b>	<b>2.2</b>	<b>0.0</b>	<b>7.0</b>	<b>0.1</b>	<b>9.8</b>	<b>£ 2,166.50</b>	<b>221.07</b>
	<b>Total Time Cost (From Jan 2003)</b>	<b>£ 217.50</b>	<b>£ 0.00</b>	<b>£ 636.50</b>	<b>£ 0.00</b>	<b>£ 1,302.00</b>	<b>£ 10.50</b>	<b>£ 2,166.50</b>		
<b>Total Hours</b>		<b>0.5</b>	<b>0.0</b>	<b>2.2</b>	<b>0.0</b>	<b>7.0</b>	<b>0.1</b>	<b>9.8</b>	<b>£ 2,166.50</b>	<b>221.07</b>
<b>Total Time Cost</b>		<b>£ 217.50</b>	<b>£ 0.00</b>	<b>£ 636.50</b>	<b>£ 0.00</b>	<b>£ 1,302.00</b>	<b>£ 10.50</b>	<b>£ 2,166.50</b>		
<b>Average Rates</b>		<b>435.00</b>	<b>0.00</b>	<b>289.32</b>	<b>0.00</b>	<b>186.00</b>	<b>105.00</b>	<b>221.07</b>		

BRAD004

Brad Baker Limited

5 November 2014

**SIP 9 - Time & Cost Summary**

Period 25/09/13 24/09/14

## Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	0 00	0 00	3 00	3 00	639 00	213 00
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	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	0 00	0 10	0 10	21 00	210 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>3 10</b>	<b>3 10</b>	<b>660 00</b>	<b>212 90</b>
<b>Total Fees Claimed</b>						<b>0 00</b>	



## NOTES TO APPENDIX G

### JOINT LIQUIDATORS' TIME COST ANALYSIS

**a) Administration and Planning**

This includes dealing with the commencement of the case administration, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs and filing it at Companies' House, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and corporation tax issues such as the monthly VAT returns, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining company searches, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts, dealing with (including the winding up of) company pension schemes where applicable.

**b) Investigations**

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), preparing reports / returns in accordance with the Company Directors' Disqualification Acts and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

**c) Realisation of Assets**

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

**d) Trading**

Where the company has continued trading following the Joint Liquidators' appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

**e) Creditors**

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. The preparation of the Joint Liquidators' proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc. A brief report on the outcome of the creditors' meeting and the report on the first six months of the administration period have both been prepared.

**f) Case Specific Matters**

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.