

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

02478415

Name of Company

M J Recruitment Limited

I / We

Neil Charles Money, 39 Castle Street, Leicester, LE1 5WN

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 16/09/2015 to 25/11/2015

Signed 

Date 01.12.2015

CBA
39 Castle Street
Leicester
LE1 5WN

Ref 002155/NCM/KK

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COMPANIES HOUSE

**M.J. Recruitment Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

| Statement of Affairs | | From 16/09/2015 To 25/11/2015 | From 16/09/2013 To 25/11/2015 |
|----------------------|---|----------------------------------|----------------------------------|
| 990 68 | SECURED ASSETS Book Debts | <u>NIL</u> NIL | <u>NIL</u> NIL |
| (854 26) | SECURED CREDITORS Bibby Financial Services | <u>NIL</u> NIL | <u>NIL</u> NIL |
| 250,000 00 | SECURED ASSET Freehold Property | <u>NIL</u> NIL | <u>NIL</u> NIL |
| (496,000 00) | SECURED CREDITORS Dudley Building Society | <u>NIL</u> NIL | <u>NIL</u> NIL |
| | ASSET REALISATIONS | | |
| | Bank Charge Refund | NIL | 6 00 |
| | Vat on Factors charges | <u>NIL</u> | <u>22 74</u> |
| | | NIL | 28 74 |
| | COST OF REALISATIONS | | |
| | VAT | NIL | 1 99 |
| | Postage | 6 00 | 16 81 |
| | Storage Costs | <u>NIL</u> | <u>9 94</u> |
| | | (6 00) | (28 74) |
| | UNSECURED CREDITORS | | |
| (7,258 62) | Trade & Expense Creditors | NIL | NIL |
| (12,000 00) | HM Revenue & Customs - PAYE & NI | NIL | NIL |
| (52,000 00) | HM Revenue & Customs - VAT | <u>NIL</u> | <u>NIL</u> |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (100 00) | Ordinary Shareholders | <u>NIL</u> | <u>NIL</u> |
| | | NIL | NIL |
| <u>(317,222.20)</u> | | <u>(6.00)</u> | <u>0.00</u> |
| | REPRESENTED BY | | |
| | | | <u>NIL</u> |

Neil Charles Money
Liquidator

Our Ref NCM/KVK/002155/5
Your Ref
Contact Katie Kent
Direct Dial 0116 2140 572

39 Castle Street,
Leicester LE1 5WN

Tel (0116) 262 6804
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To All Members and Creditors

25 November 2015

Dear Sirs

M J. Recruitment Limited - In Creditors' Voluntary Liquidation

I refer to my appointment as Liquidator of the above company and confirm that I am now in a position to conclude this case. I am required to report to members and creditors on the progress of the Liquidation and to convene final meetings of members and creditors and I make this report to you in discharge of that duty. This report covers the duration of the liquidation from 16 September 2013 to 25 November 2015.

Company Information

Company Name M J Recruitment Limited
Registered Number 02478415
Registered Office C/o CBA, 39 Castle Street, Leicester, LE1 3WN

Liquidators

The Liquidator of the company was appointed on 16 September 2013 and is

Neil Charles Money
CBA
39 Castle Street
Leicester
LE1 5WN

IP Number 8900

Liquidators' Actions since Appointment

Neil Money was appointed as Liquidator of the Company and sought to realise the reassigned book debts by Bibby Finance Services. A review of the Company's books and records was undertaken, as were discussions with the director and the accountant, in order to compile a full schedule of the Company's assets and a basis and strategy for realising the same for the benefit of creditors generally.

The Company had book debts which were factored with Bibby Financial Services and a surplus was showing on the Statement of Affairs in the sum of £136 42. However, during the course of the Liquidation, confirmation was received from Bibby's stating that no surplus was available for the Liquidator to pursue, after their fees had been deducted.

The Statement of Affairs detailed a freehold property situated at 16 Belvoir Street, Leicester, LE1 6QH with the following charges held over it:

- Dudley Building Society – mortgage deed - created on 7 May 2000 and registered on 26 May 2015
- Barclays Bank Plc – legal charge – created on 8 November 2002 and registered on 14 November 2002
- Barclays Bank Plc – legal charge – created on 14 February 2003 and registered on 3 March 2003
- Dudley Building Society – legal charge – created on 18 April 2007 and registered on 20 April 2007
- Bibby Financial Services Limited – debenture – created on 18 November 2010 and registered on 23 November 2010

Prior to the Liquidation, Dudley Building Society ("DBS") took possession of the property as there was no equity. They requested for the title of the property to be transferred from the Liquidator to DBS. DBS instructed Wragge Lawrence Graham & Co to deal with the transfer. Messrs Freeths LLP were instructed to deal with the matter on behalf of the Liquidator. Valuations were obtained which showed that the property was in negative equity and therefore the title was transferred over to the building society.

The Company had no further assets to realise.

Receipts and Payments Account

My Receipts and Payments Account for the period 16 September 2013 to 25 November 2015 is attached together with the period account 16 September 2015 to 25 November 2015.

Assets

Asset realisations to date are as follows,

| Description | Statement of Affairs Estimate (£) | Realisation in period (£) | Realisation cumulative period (£) | Note |
|------------------------|-----------------------------------|---------------------------|-----------------------------------|------|
| Book Debts | 136 42 | Nil | Nil | 1 |
| VAT on Factors Charges | Nil | 22 74 | 22 74 | 2 |
| Bank Charge Refund | Nil | 6 00 | 6 00 | 3 |

Notes

- 1 The Statement of Affairs anticipated that a surplus of £136 42 would be received from Bibby Financial Services in respect of factored book debts. However, after the

application of their final charges it has been confirmed that there are no surplus funds available to the Liquidator to pursue. Therefore, no realisations are expected.

2. An amount of £22.74 has been realised in respect of VAT reclaimed on the final charges applied by Bibby Financial Services.
3. A refund of £6.00 has been received from Lloyds Bank Plc in respect of charges which were applied post Liquidation.

SIP 13 Disclosure

I am required, in accordance with Statement of Insolvency Practice 13 ("SIP 13"), to disclose to creditors the details of any asset sold by the Liquidator to connected parties.

I can confirm that, to date, there have been no such sales to connected parties during the Liquidation.

Creditors Claims, Dividend Prospects and the Prescribed Part

Secured Creditors

The Company had the following secured creditors registered:

- Dudley Building Society – Mortgage Deed, created on 7 May 2000 and registered on 26 May 2000. An amount of £120,000 is secured against the property situated at 16 Belvoir Street, Leicester.
- Barclays Bank Plc – Legal Charge, created on 8 November 2002 and registered on 14 November 2002.
- Barclays Bank Plc – Legal Charge, created on 14 February 2003 and registered on 3 March 2003.
- Dudley Building Society – Legal Charge, created on 18 April 2007 and registered on 20 April 2007.
- Bibby Financial Services Limited – Debenture, created on 18 November 2010 and registered on 23 November 2010.

Preferential Creditors

Crown preference in relation to VAT and PAYE was abolished in 2003 and consequently in the majority of cases preferential creditors relate to certain liabilities in respect of wages, holiday pay and pension contributions due.

Creditors will recall from the Statement of Affairs that there were no preferential creditors in this matter and as such no claims have been received.

Unsecured Non-Preferential Creditors

The directors' estimated Statement of Affairs detailed five unsecured creditors' claims totalling a sum of £71,258.62. To date, claims have been received from five unsecured creditors totalling a sum of £65,288.50.

These claims have not been adjudicated as there is no prospect of a dividend to any class of creditor.

Prescribed Part

The 'Prescribed Part' provisions of Section 176A of the Insolvency Act apply to this case. This section provides that a proportion of the net assets which would otherwise be paid to the floating charge holder are set aside for the benefit of the unsecured creditors. However, as the net property in this case is below the prescribed minimum of £10,000 and the costs of a distribution are likely to be disproportionate to the benefits, the prescribed part provisions have been disapplied in accordance with Section 176A(3) of the Insolvency Act.

Notice is hereby given that no dividend will be declared in this case.

Liquidation Expenses

Your attention is drawn to the provisions of Rule 4.49E of the Insolvency Rules 1986 (as amended) which states that a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, or any unsecured creditor with the permission of the Court, may make a request in writing to the liquidator for further information about remuneration or expenses set out in this progress report. Any such request must be made within 21 days of receipt of this report.

Your attention is also drawn to the provisions of Rule 4.131 of the Insolvency Rules 1986, (Creditors' claim that remuneration is or other expenses are excessive).

Expenses paid to date are as detailed on the attached receipts and payments account, with any further sums incurred detailed below, and comprise the following:

Specific Bond

Every insolvency practitioner in every case is required by law to take out a specific bond which will reimburse the estate in the event of fraudulent activity by the office holder. I am bonded for the sum of £5,000.

Statement of Affairs Fee

You will recall that the statement of affairs fee of £3,000 plus VAT was agreed at the initial meeting of creditors.

Liquidators Remuneration

Creditors authorised the Liquidator to draw remuneration by reference to the time properly given by the Liquidator and their staff in attending to matters arising in the winding up. A schedule analysing the time spent on this case is attached, together with the associated time cost and the fees drawn to date.

All staff, including support staff, are charged directly to cases for the time spent on that case at the hourly rates detailed below. Charge out rates and staff grades are reviewed periodically and may change during the course of the liquidation. Time is charged in 6 minute units.

| Grade of Staff | Charge Out |
|----------------------------------|-------------------|
| | Rate per Hour (£) |
| Licensed Insolvency Practitioner | 315 |
| Senior Manager | 255 |
| Manager | 210 |
| Senior Administrator | 180 |
| Administrator | 150 |
| Support Staff | 90 |

You are advised that a guide to Liquidators fees is available for download, without charge, from <http://www.insolvency-practitioners.org.uk/uploads/Liq.pdf>. If you require a paper copy of this guide please contact this office and a copy will be sent to you free of charge.

A total of 0.80 hours have been spent at an average hourly rate of £151.88 during the period 16 September 2015 to 25 November 2015. A summary of work undertaken in this case is as follows:

Case Progression

- File Reviews
- Correspondence with the director
- Cashiering

A total of 47.60 hours have been spent at an average hourly rate of £186.30 during the cumulative period. A summary of work undertaken in this case is as follows:

Case Progression

- File Reviews
- Correspondence with the director
- Cashiering

Creditors

- Creditor correspondence and telephone calls
- Review of creditor claims
- Creditor updates on computer system

Investigations

Investigations into the affairs of the Company and submission of a director's conduct report
Completion of CDDA checklists

Assets

Correspondence with regards to realisation of assets
Review valuations
Correspondence with solicitors in relation to asset realisations and valuations
Correspondence with Banks and Solicitors

Statutory

Statutory meetings
Bonding
Post appointment formalities and submission of forms

Office Holders Expenses and Disbursements

Statement of Insolvency Practice 9 ('SIP9'), requires that the office holder provide a statement of the office-holder's policy in relation to recharges of disbursements. SIP9 defines disbursements as either Category 1 or Category 2 disbursements.

Category 1 disbursements comprise specific expenditure directly referable to the case and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff.

Category 1 disbursements are recoverable without approval, and it is the policy of CBA to recover Category 1 disbursements when they are incurred and when funds permit.

The Category 1 disbursements incurred by and reimbursed to CBA are detailed below

| | Incuried by CBA period 16 09 15 to date £ | Incuried by CBA cumulative period £ | Reimbused to CBA £ |
|----------------|--|---|--------------------------|
| Advertising | 68 20 | 277 20 | - |
| Specific bond | - | 20 00 | - |
| Company search | - | 8 00 | - |
| Room hire | - | 150 00 | - |
| Postage costs | 7 28 | 25 09 | 10 81 |
| Storage costs | - | 56 22 | 9 94 |
| Total | 75 48 | 536 51 | 20.75 |

Category 2 disbursements are costs which are directly referable to the case but not a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. It is the policy of CBA to recover Category 2 disbursements once approval to do so has been obtained and when funds permit. Creditors have previously authorised that business mileage should be recharged to the case at the rate of 45 pence per mile.

The only Category 2 disbursement recovered by CBA is business mileage, which is charged to the case at 45 pence per mile. To date no miles have been incurred or charged in this case.

Legal Fees

Freeths LLP Solicitors were retained to advise the Liquidator in respect of the transfer of the title in relation to the property situated at 16 Belvoir Street, Leicester and validating the charge held over the property. No fees have been paid to date.

Company Search

Insolvency practitioners carry out searches on the Companies House website for statutory information before they accept the instruction to act as liquidators.

Storage Costs

The company's books and records have been collected as required but are not stored at CBA's offices due to space limitations. They are held by external storage agents and the costs attributable to this service are reflected. The initial cost paid also takes in to account the required storage period once the liquidation is concluded and the cost of secure destruction of the records at the appropriate time.

Statutory Advertising

Statutory advertisements have been placed in the London Gazette as required.

Final Meetings of Members and Creditors

Final meetings of members and creditors have been convened for 25 November 2015. The purpose of these meetings is to receive this report, and for creditors to vote upon the following resolution:

- 1 – That the Liquidators be granted his release.

If you should have any queries please contact Katie Kent at this office.

Yours faithfully



Neil Money
Liquidator
MJ Recruitment Limited

**M.J. Recruitment Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

| Statement of Affairs | | From 16/09/2015 To 25/11/2015 | From 16/09/2013 To 25/11/2015 |
|----------------------|--|----------------------------------|----------------------------------|
| 990 68 | SECURED ASSETS Book Debts | <u>NIL</u> NIL | <u>NIL</u> NIL |
| (854 26) | SECURED CREDITORS Bibby Financial Services | <u>NIL</u> NIL | <u>NIL</u> NIL |
| 250,000 00 | SECURED ASSET Freehold Property | <u>NIL</u> NIL | <u>NIL</u> NIL |
| (496,000 00) | SECURED CREDITORS Dudley Building Society | <u>NIL</u> NIL | <u>NIL</u> NIL |
| | ASSET REALISATIONS Bank Charge Refund | NIL | 6 00 |
| | Vat on Factors charges | <u>NIL</u> | <u>22 74</u> |
| | | NIL | 28 74 |
| | COST OF REALISATIONS VAT | NIL | 1 99 |
| | Postage | 6 00 | 16 81 |
| | Storage Costs | <u>NIL</u> | <u>9 94</u> |
| | | (6 00) | (28 74) |
| (7,258 62) | UNSECURED CREDITORS Trade & Expense Creditors | NIL | NIL |
| (12,000 00) | HM Revenue & Customs - PAYE & NI | NIL | NIL |
| (52,000 00) | HM Revenue & Customs - VAT | <u>NIL</u> | <u>NIL</u> |
| | | NIL | NIL |
| (100 00) | DISTRIBUTIONS Ordinary Shareholders | <u>NIL</u> NIL | <u>NIL</u> NIL |
| (317,222 20) | | <u>(6 00)</u> | <u>0 00</u> |
| | REPRESENTED BY | | <u>NIL</u> |

Neil Charles Money
Liquidator

Time Entry - SIP9 Time & Cost Summary

002155 - M J Recruitment Limited
Project Code POST
From 16/09/2015 To 25/11/2015

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|------------------------------------|-------------|-------------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Administration & Planning | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Case Progression | 0.00 | 0.30 | 0.00 | 0.50 | 0.80 | 121.50 | 151.88 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Investigations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Realisation of Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Statutory | 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 |
| Total Hours | 0.00 | 0.30 | 0.00 | 0.50 | 0.80 | 121.50 | 151.88 |
| Total Fees Claimed | | | | | | 0.00 | |
| Total Disbursements Claimed | | | | | | 26.75 | |

Time Entry - SIP9 Time & Cost Summary

002155 - M J Recruitment Limited
Project Code POST
From 16/09/2013 To 01/12/2015

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|------------------------------------|-------------|-------------|----------------------------|----------------------------|--------------|-----------------|-------------------------|
| Administration & Planning | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Case Progression | 3.00 | 2.50 | 10.10 | 3.30 | 18.90 | 3 697.50 | 195.63 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.00 | 0.00 | 7.00 | 0.00 | 7.00 | 1,260.00 | 180.00 |
| Investigations | 0.00 | 0.00 | 8.60 | 0.00 | 8.60 | 1 548.00 | 180.00 |
| Realisation of Assets | 0.00 | 0.00 | 5.80 | 0.00 | 5.80 | 1 044.00 | 180.00 |
| Statutory | 0.00 | 0.30 | 6.80 | 0.20 | 7.30 | 1 318.50 | 180.62 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours | 3.00 | 2.80 | 38.30 | 3.50 | 47.60 | 8,868.00 | 186.30 |
| Total Fees Claimed | | | | | | 0.00 | |
| Total Disbursements Claimed | | | | | | 26.75 | |