

## Section 106

Return of Final Meeting in a  
Creditors' Voluntary Winding UpPursuant to Section 106 of the  
Insolvency Act 1986

To the Registrar of Companies

**S.106**

Company Number

01891613

Name of Company

Classtech (UK) Limited

I/We Julie Anne Palmer  
65 St Edmunds Church Street  
Salisbury  
Wiltshire  
SP1 1EFAntony Robert Fanshawe  
65 St Edmunds Church Street  
Salisbury  
Wiltshire  
SP1 1EF

Note: The copy account must be  
authenticated by the written  
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly held on/~~summoned for~~ 16 August 2013 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, and that the same was done accordingly / ~~no quorum was present~~ at the meeting.

2 give notice that a meeting of the creditors of the company was duly held on/~~summoned for~~ 16 August 2013 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly/~~no quorum was present~~ at the meeting

The meeting was held at 65 St Edmund's Church Street, Salisbury, Wiltshire, SP1 1EF

The winding up covers the period from 3 June 2010 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Signed

Date 20 August 2013

Beggies Traynor (Central) LLP  
65 St Edmunds Church Street  
Salisbury  
Wiltshire  
SP1 1EF

Ref CL020CVL/JAP/ARF/AWW/NRA/SAL

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COMPANIES HOUSE

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## **Classtech (UK) Limited (In Creditors' Voluntary Liquidation)**

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Final report and account of the liquidation pursuant  
to Section 106 of the Insolvency Act 1986 and Rule  
4.126 of the Insolvency Rules 1986

Period 3 June 2010 to 16 August 2013

### **Important Notice**

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Classtech (UK) Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 3 June 2010
"the liquidators", "we", "our" and "us"	Julie Anne Palmer of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF and Antony Robert Fanshawe formerly of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading name(s)	N/A
Company registered number	01891613
Company registered office	65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
Former trading address	8 Pine Close, Southampton, Hampshire, SO52 9HN

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	3 June 2010
Date of liquidators' appointment	3 June 2010
Changes in liquidator (if any)	None

## 4. PROGRESS SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the entirety of the liquidation

Realisations in respect of chattel assets were in line with both the estimated to realise values shown in the directors' sworn statement of affairs, and with the independent valuations provided to the liquidators

The realisation of retentions and book debts proved difficult and time consuming. We also required the assistance of Leslie Keats, quantity surveyor. The sum of £12,160 was received in this respect, greater than the estimated realisation of £7,500. However, collection fees of £3,840 were incurred in the process.

Delays in negotiating settlement of the Company's book debts resulted in the liquidators and their staff spending more time than was originally envisaged in dealing with statutory aspects of the liquidation process, such as reporting to stakeholders and filing returns with Companies House.

## 5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs included within the report sent to creditors further to our appointment as liquidators.

On the basis of realisations, the outcome for each class of the Company's creditors is as follows:

### **Secured creditor**

The secured creditor received £8,811.89 under its debenture.

### **Preferential creditors**

A dividend of 100 pence in the £1 has been paid to the preferential creditors.

## Unsecured creditors

As detailed in our progress report for the period, we confirm that no dividend is available for unsecured creditors as the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

## 6 REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 3 June 2010 to 16 August 2013 amount to £26,237 00 which represents 124 5 hours at an average rate of £210 74 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 3 June 2010 to 16 August 2013
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

We have drawn the total sum of £22,524 00 plus disbursements of £311 05 on account in accordance with the approval obtained, leaving unbilled time costs of £3,713 00, which has been written off as irrecoverable

Details of the Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

A copy of 'A Creditors' Guide to Liquidators' Fees (E&W) 2010' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides) Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

## 7 LIQUIDATORS' EXPENSES

A statement of the expenses incurred since our last progress report is attached at Appendix 3

## 8. OTHER RELEVANT INFORMATION

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects

## 9 CONCLUSION

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, Andrew Watling in the first instance, who will be pleased to assist

**J A Palmer**  
Joint Liquidator

Dated 16 August 2013

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 3 June 2010 to 16 August 2013

S of A £		£	£
	HIRE PURCHASE		
4,200	HP Motor Vehicle	4,300 00	
(1,730)	Finance Company	(1,745 39)	
			2,554 61
	ASSET REALISATIONS		
2,000	Plant, Machinery, Fixtures & Fittings	2,100 00	
	Debtors	865 31	
7,500	Retentions	12,160 00	
26,263	Cash in Hand	26,585 38	
			41,710 69
	COST OF REALISATIONS		
	Preparation of S of A	5,000 00	
	Liquidators' Fees	22,524 00	
	Liquidators' Expenses	311 05	
	Agents/Valuers Fees	1,043 00	
	Debt Collection	3,840 00	
	Legal Fees	1,440 00	
	Statutory Advertising	235 80	
	Storage Costs	122 08	
	Irrecoverable VAT	45 48	
	PAYE & NI	39 68	
		34,601 09	(34,601 09)
	PREFERENTIAL CREDITORS		
(568)	DE Arrears & Holiday Pay	NIL	
(184)	Employee Arrears/Hol Pay	852 32	
			(852 32)
	FLOATING CHARGE CREDITORS		
(18,143)	Floating Charge Creditor	8,811 89	
			(8,811 89)
			<u>0 00</u>



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## TIME COSTS AND DISBURSEMENTS

- Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- Begbies Traynor (Central) LLP's charge-out rates,
- Narrative summary of time costs incurred, and
- Table of time spent and charge-out value for the period from 3 June 2010 to 16 August 2013

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories.

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Car mileage is charged at the rate of 40 pence per mile.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*.

- Telephone and facsimile
- Printing and photocopying
- Stationery

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1

## BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Salisbury office as at the date of this report are as follows

	<b>Standard</b>
	<b>1 May 2011 –</b>
	<b>until further notice</b>
	<b>Regional</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Prior to 1 May 2011, the following rates applied

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Trainee Administrator	100
Support	100

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

## SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME Classtech (UK) Limited

CASE TYPE CREDITORS' VOLUNTARY LIQUIDATION

OFFICE HOLDERS Julie Anne Palmer AND Antony Robert Fanshawe

DATE OF APPOINTMENT 3 June 2010

### 1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

#### 1.2 Complexity of the case

There were no particularly complex aspects to this assignment. However, considerable time was spent liaising with debtors, processing employee claims and reporting to creditors. This was not helped by the duration of what first appeared a straight forward assignment.

#### 1.3 Exceptional responsibilities

There was nothing unusual in this respect

#### 1.4 The office holders' effectiveness

The Company's assets have been realised and distributions made to the preferential creditors and secured creditor. Therefore, the liquidators achieved what they set out to do

#### 1.5 Time costs analysis

An analysis of time costs incurred between 3 June 2010 and 16 August 2013 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only

#### 1.9 The views of the creditors

Creditor queries have been dealt with appropriately and reports have been issued in accordance with legislation

#### 1.12 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case

Type and purpose	Amount £
Mileage (45 miles)	16.84
TOTAL	16.84

#### 1.13 Other professionals employed & their costs

Other professionals were chosen based on their ability and consideration was given to their respective fee arrangements

### 2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2.1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2

2.2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2



## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance to be discharged £
Agent's fees	Asset Recovery & Insolvency	1,043 00	1,043 00	0 00
Debt collection	Leslie Keats	3,840 00	3,840 00	0 00
Legal fees	Clarke Willmott	1,440 00	1,440 00	0 00
Statutory advertising	Courts Advertising	235 80	235 80	0 00
Storage	Archive Solutions	122 08	122 08	0 00