

The Insolvency Act 1986

Liquidator's Progress Report  
Pursuant to section 192 of  
the Insolvency Act 1986

# S.192

To the Registrar of Companies

For official use

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Company Number

3731542

Name of Company

**Crowther & Johnstone Limited t/a C & J Recruitment**

*MR*

Mark Reynolds  
3<sup>rd</sup> Floor  
Shakespeare House  
7 Shakespeare Road  
London  
N3 1XE

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 26 October 2011 to 25 October 2012

*[Handwritten signature]*

Signed \_\_\_\_\_

Date 12/12/12

Valentine & Co  
3<sup>rd</sup> Floor  
Shakespeare House  
7 Shakespeare Road  
London  
N3 1XE

Ref MSR/DB/C727

**For Official Use**  
Insolvency Sect Post Room



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A10 13/12/2012 #326

COMPANIES HOUSE

THURSDAY

**Liquidator's Annual Progress Report  
to Creditors and Members**

**Crowther & Johnstone Limited t/a C & J Recruitment  
- In Liquidation**

**12 December 2012**

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## **APPENDICES**

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- B Time Analysis for Period from 26 October 2011 to 25 October 2012
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9 (SIP 9)

## **1 Introduction**

1 1 I, Mark Reynolds, of Valentine & Co, 3<sup>rd</sup> Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE, was appointed as Liquidator of Crowther & Johnstone Limited t/a C & J Recruitment (the Company) on 26 October 2011. This report provides an update on the progress in the liquidation for the year ended 25 October 2012.

1 2 The principal trading address of the Company was 2nd Floor Victoria House, 20 Hoghton Street, Southport, PR9 0NX.

1 3 The registered office of the Company was changed to c/o Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE and its registered number is 3731542.

## **2 Realisation of Assets**

### **Book Debts Subject to RBS Invoice Finance**

2 1 The statement of affairs stated that there were outstanding book debts totalling £143,492. These book debts were subject to an Invoice Financing agreement with RBS Invoice Finance ("RBSIF"). It was estimated that RBSIF were holding funds of £62,151 and would have closing charges of £6,630. Following the refund of a payment for £9,412.22 received in error to RBSIF the sum of £49,226.40 was received from RBSIF.

2 2 On 7 November 2011 a request was made to RBSIF to reassign all debts back to the Company. This was completed and solicitors have been instructed to pursue these debts. To date £28,216.05 has been received however, debt collection is ongoing and it is anticipated that further recoveries will be made in due course.

### **Cash at Bank**

2 3 The sum of £1,461.96 was obtained from the Company's bank accounts held at Royal Bank of Scotland Plc and National Westminster Bank Plc.

2 4 All funds received within the liquidation are placed in a specifically designated interest bearing account and the gross interest received to 25 October 2012 totals £132.62.

2 5 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 25 October 2012 with a comparison to the Statement of Affairs values, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator

2 6 Further information on the Liquidator's remuneration can be found in section 5 below

### **3 Investigations**

3 1 In accordance with Statement of Insolvency Practice 2 (SIP2), a review of the Company's books and records was conducted in order to identify any unusual or exceptional transactions

3 2 During the investigation, particular attention was paid to identifying any possible antecedent transactions such as preference payments, transactions at an undervalue and transactions defrauding creditors. Additionally, it was considered whether there was evidence of wrongful trading and/or misfeasance, for which an action could be brought against the director(s)

3 3 In accordance with the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 4 (SIP4), I have submitted a report on the conduct of the Directors of the Company to the Department of Business Innovation & Skills. As this is a confidential report, I am not able to disclose the content

### **4 Creditors**

#### ***Secured Creditors***

4 1 Barclays Bank Plc held two fixed and floating charges over the Company's assets registered on 12 April 2005 and 8 December 2006. The Insolvency team at Barclays Bank Plc have advised that both debentures were settled in 2007 when the Company moved its bank accounts to RBS

4 2 RBS Invoice Finance Limited held a fixed and floating charge dated 23 February 2007. This charge has been satisfied

#### ***Preferential Creditors***

4 3 In accordance with Section 386 of The Insolvency Act 1986 and Schedule 6 Category 5 of the Act, debts in respect of employees' remuneration and holiday pay, subject to limitations of statute, rank as preferential creditors and in priority to the claims from other unsecured creditors

4 4 The employees submitted claims under the provisions of the Employment Rights Act 1986 which have been met substantially by the Redundancy Payments Service, who now have a subrogated claim, in place of the employees for an element of the total claim

4 5 I received a preferential claim from the Redundancy Payments Service in the sum of £3,653 86

4 6 It is anticipated that there will be a dividend paid to the preferential creditors of 100p in the £ It is anticipated this will be paid within 3 months from the date of this report

#### ***Unsecured Creditors***

4 7 I received claims totalling £225,453 02 from 9 creditors I am yet to receive claims from 9 creditors, whose claims total £20,290 40 according to the Statement of Affairs

4 8 It is anticipated that sufficient funds will become available to enable a distribution to unsecured creditors, although I am currently unable to provide details of the likely timing and quantum of such a distribution

### **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 year to 25 October 2012 are £23,357 This represents 143 05 hours at an average rate of £163 28 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 I confirm that to date £21,000 has been drawn in respect of time costs

5 3 The time spent on this case relates to the following matters

- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditors claims
- Investigations into the affairs of the Company
- Preparation and submission of statutory report to the Secretary of State
- Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
- Cashiering and updating insolvency computer system

- Quarterly review and statutory compliance which includes submissions to Companies House
- Liaising with debt collection agent / collection of book debts
- Liaising with solicitors/counsel

5 6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.valentine-co.com](http://www.valentine-co.com) > Technical Resources > Creditors' Guides to Fees

5 7 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

## 6 Liquidator's Expenses

6 1 The following expenses have been incurred since my appointment as Liquidator

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
<i>AUA Insolvency Risk Services</i>	<i>Specific Bonding Insurance</i>	180 00	0 00	180 00
<i>Courts Advertising</i>	<i>Statutory Advertising</i>	190 50	190 50	0 00
<i>Segen Blount Petre Solicitors</i>	<i>Book Debt Collection/ Legal Fees</i>	8,500 00	8,500 00	0 00
<i>Barclays Bank Plc</i>	<i>Bank Charges</i>	15 00	15 00	0 00

## 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

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 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 Case Progression / Next Report**

8 1 My administration of the liquidation is ongoing I anticipate that I will be able to take steps to finalise the liquidation in the next 12 months

8 2 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



**Mark Reynolds**

Liquidator

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## **Appendix A**

**Receipts and Payments Account for Period from 26 October 2011 to 25 October 2012.**

**Crowther & Johnstone Limited t/a C & J Recruitment  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 26/10/2011 To 25/10/2012	From 26/10/2011 To 25/10/2012
	<b>HIRE PURCHASE</b>	
62,151 00	49,226 40	49,226 40
(6,630 00)	NIL	NIL
	<u>49,226 40</u>	<u>49,226 40</u>
	<b>ASSET REALISATIONS</b>	
NIL	NIL	NIL
	28,216 05	28,216 05
470 00	1,461 96	1,461 96
	132 62	132 62
	<u>29,810 63</u>	<u>29,810 63</u>
	<b>COST OF REALISATIONS</b>	
	6,000 00	6,000 00
	21,000 00	21,000 00
	8,500 00	8,500 00
	26 51	26 51
	190 50	190 50
	15 00	15 00
	<u>(35,732 01)</u>	<u>(35,732 01)</u>
	<b>PREFERENTIAL CREDITORS</b>	
(7,972 00)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>	
(24,402 00)	NIL	NIL
(29,083 00)	NIL	NIL
(60,667 00)	NIL	NIL
(125,511 00)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(2 00)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(191,646.00)</u>	<u>43,305.02</u>	<u>43,305.02</u>
	<b>REPRESENTED BY</b>	
		1,000 00
		42,305 02
		<u>43,305.02</u>



Mark Reynolds  
Liquidator

## **Appendix B**

### **Time Analysis for Period from 26 October 2011 to 25 October 2012.**

<b>Administration &amp; Planning</b>	Includes case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters, Court application for extension, legal advice regarding Agency issues
<b>Investigations</b>	Includes Statutory duty of investigation into Company's affairs under Statement of Insolvency Practice (SIP2)
<b>Realisation of Assets</b>	Includes dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts
<b>Creditors</b>	Includes correspondence with preferential and unsecured creditors, pensions and employees
<b>Trading</b>	Includes time on site, dealing with matters arising relating to ordering and the supply of goods, completion of WIP, supervision of staff

# Time Entry - SIP9 Time & Cost Summary

C727 - Crowther & Johnstone Limited t/a C & J Recruitment  
 Project Code POST  
 From 26/10/2011 To 25/10/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	12.50	1.20	10.40	70.75	94.85	11,222.00	118.31
Case Specific Matters	2.20	0.00	0.00	0.00	2.20	935.00	425.00
Creditors	0.80	0.00	3.70	0.00	4.50	1,055.00	234.44
Investigations	5.00	0.00	2.80	8.90	16.70	3,130.00	187.43
Realisation of Assets	10.80	0.00	11.50	2.50	24.80	7,015.00	282.86
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>31.30</b>	<b>1.20</b>	<b>28.40</b>	<b>82.15</b>	<b>143.05</b>	<b>23,357.00</b>	<b>163.28</b>
<b>Total Fees Claimed</b>						<b>21,000.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

## Appendix C

### Additional Information In Relation To Liquidator's Fees Pursuant To Statement Of Insolvency Practice 9 (SIP 9)

#### Policy

Detailed below is Valentine & Co's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

#### *Staff Allocation and the use of Sub-contractors*

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 Partner, Senior and Administrator. The exact constitution of the team will depend on the size and complexity of the assignment and on larger, more complex cases, several staff may be allocated to meet the demands of the case

With regard to support staff, time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, will this be charged

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

#### *Professional Advisors*

We have not utilised the services of any professional advisors in this case

#### *Disbursements*

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement generally comprise of external supplies or incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel, 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

Disbursement rates are charged as follows - Post liquidation creditors circulars including director's reports, creditor questionnaire and claims forms £2 25 each, Annual meeting circulars £1 75 each, final meeting circulars £1 75 each Room hire, where applicable £10 00 per hour Insurance and bonding is recharged to the Company/insolvent estate at 100% of sum billed to the office holder from the provider of the surety or broker, Travel charges, where any staff of office holder of Valentine & Co utilises their own vehicle are charged at 40 pence per mile Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party Subsistence and any other miscellaneous disbursements, where appropriately incurred, are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party Valentine & Co reserve the right to alter their charge rates without notice from time to time

We would confirm that no Category 2 disbursements have been charged on this case

### **Charge-out Rates**

Details of the firm's current charge out rates are as follows (effective from 18 April 2011)		(Per hour) £
Managing Director		425
Other Director / Consultants		325-375
Manager		285
Senior Administrator		200
Administrator		100-150
Junior/Support		50-100