

The Insolvency Act 1986

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A of the Insolvency Act 1986

To the Registrar of Companies

For Official Use

Three empty rectangular boxes for official use.

Company Number

05418643

Name of Company

Sportworks Group Limited

I / We-  
Martin Paul Halligan  
11th Floor  
Regent House  
Heaton Lane  
Stockport  
SK4 1BS

the liquidator(s) of the company attach a copy of my/our progress report under section 192 of the Insolvency Act 1986

Signed [Signature] Date 2/4/12

Anderton Hall Recovery  
11th Floor  
Regent House  
Heaton Lane  
Stockport  
SK4 1BS

Ref 111001/MPH/AW

For Official Use stamp containing a barcode, date 19/04/2012, and reference #103. Includes a vertical 'THURSDAY' label and 'COMPANIES HOUSE' text.

Our Ref 111001/MH/AW  
Your Ref



11th Floor  
Regent House  
Heaton Lane  
Stockport  
SK4 1BS

## TO ALL KNOWN CREDITORS AND MEMBERS

2 April 2012

Dear Sirs

**Sportworks Group Limited – In Liquidation**  
**Liquidator's Annual Progress Report to Creditors and Members**  
**Company Number 05418643**

I present the annual and first progress report, detailing the conduct of the liquidation for the period from 21 February 2011 to 20 February 2012, pursuant to Section 104A of the Insolvency Act 1986

### Introduction

In accordance with the provisions of Section 98 of the Insolvency Act, 1986, statutory meetings of shareholders and creditors were duly held at Bolton Enterprise Centre, Washington Street, Bolton, BL3 5EY on 21 February 2011. Thomas Henry Wenham, a Director, acted as chairman for the purposes of the meetings.

A report was presented together with a summary of the statement of affairs signed as a statement of truth by the Director on 21 February 2011. At a meeting of the shareholders held on 21 February 2011, a resolution was passed for the voluntary winding-up of the Company and for the appointment of myself as Liquidator. At a subsequent meeting of the Company's creditors the shareholders' resolution was confirmed. A liquidation committee was not formed. No creditors attended the meeting.

The purpose of this, the first annual progress report, is to inform members and creditors of the progress of the liquidation, for the period 21 February 2011 to 20 February 2012, pursuant to Section 104A of the Insolvency Act 1986.

### Receipts And Payments

A summary of my receipts and payments for the period 21 February 2011 to 20 February 2012 is attached at Appendix I. This shows a balance in hand of £97.47. The contents therein are self-explanatory. Gross interest of £0.63 has been earned on funds held during the period. In accordance with SIP7 the receipts and payments are shown net of VAT, with VAT shown separately. The funds were held in an interest bearing current account at Svenska Handelsbanken AB.

### Assets Specifically Pledged

The Directors stated that there were no assets specifically pledged.

### Assets Not Specifically Pledged

The Directors' Estimated Statement of Affairs indicated that the Company's plant & machinery, with a book value of £2,932, had been professionally valued by independent valuers and auctioneers, Michael Steel & Co of Leeds, to realise £1,000 plus VAT on a market value ex-situ. The Directors offered £1,250 plus VAT for these assets and the agents recommended acceptance of their offer. I have received the sale proceeds.

The Director's Estimated Statement of Affairs indicated that cash at Anderton Hall Recovery represented monies from the Company's bank account of £2,100 and a BACS transfer from a customer of £939. These funds have been realised and are shown in the deposit for costs, which also includes £761 received from the Directors.

The Directors' Estimated Statement of Affairs indicated cash at bank of £45. I received £42.54 from HSBC Bank plc, after deduction of the bank's final charges.

### Preferential Creditors

The Directors stated that there were no preferential creditors in respect of potential employees' claims. To date I have not received any preferential creditor claims.



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### Floating Charge Creditors

The Directors' Estimated Statement of Affairs indicated that Advantage Transition Bridge Fund Ltd held a floating charge over the assets of the Company. As there is no prospect of a distribution to any class of creditor, I have not instructed solicitors to validate the Debenture.

### Non - Preferential Creditors

Non-preferential claims received to date are as follows -

	No	£ Per 'S of A'	No	£ Claims
Trade Creditors	18	75,333	7	63,006 14
Director's Loan Account	1	8,455	1	8,455 00
HM Revenue & Customs	2	138,327	2	313,397 36
<b>TOTAL</b>		<b>222,115</b>		<b>384,858 50</b>

Total non-preferential claims received to date are £384,858 50

### Liquidator's Remuneration

Attached at Appendix II is an additional assessment of work carried out, in accordance with SIP 9 (E&W)

A summary of my Liquidator's time costs for the period 21 February 2011 to 20 February 2012 is attached at Appendix III

A total of 35 20 hours have been spent on this assignment, for the above period, totalling £10,553 00, at an average hourly rate of £299 80. To date no Liquidator's fees have been drawn.

A creditors' guide to fees can be found on The Association of Business Recovery Professionals website at [www.r3.org.uk/publications](http://www.r3.org.uk/publications) (under the sub heading Fees / "Guide to Liquidation Fees"). Alternatively, it can be supplied upon request, free of charge.

### Liquidator's Disbursements

A summary of disbursements, Category 1 and Category 2, for the period to 20 February 2012 is attached at Appendix II. The contents therein are self-explanatory. Disbursements totalling £216 have been billed on account to date.

### Dividend Prospects

Based on the information presently available there will be no distribution to be made to any class of Creditor.

### Company Directors Disqualification Act 1986

As Liquidator I have a duty to investigate the affairs of an insolvent company and to consider the conduct of the company's directors and to make an appropriate submission to the Department for Business, Innovations and Skills. I confirm that I have discharged my duties in these respects.

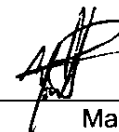


M P Halligan  
Liquidator

**Sportworks Group Limited  
(In Liquidation)**

**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 21/02/2011 To 20/02/2012 £	From 21/02/2011 To 20/02/2012 £
<b>RECEIPTS</b>			
Plant & Machinery etc	1,000 00	1,250 00	1,250 00
Cash at Anderton Hall	3,039 00	0 00	0 00
Cash at Bank	45 00	42 54	42 54
Deposit for Costs		3,800 00	3,800 00
Bank Interest Gross		0 63	0 63
Vat Payable		250 00	250 00
Vat Control Account		623 14	623 14
	<u>4,084,00</u>	<u>5,966 31</u>	<u>5,966 31</u>
<b>PAYMENTS</b>			
Specific Bond		30 00	30 00
Pre Appointment Expenses		422 90	422 90
Section 98 Fee		3,000 00	3,000 00
Statement of Affairs Fee		1,000 00	1,000 00
Office Holders Expenses		216 00	216 00
Statutory Advertising		226 80	226 80
Vat Receivable		973 14	973 14
		<u>5,868 84</u>	<u>5,868 84</u>
<b>BALANCE - 20 February 2012</b>			<u><u>97 47</u></u>



Martin Paul Halligan  
Liquidator

**INTRODUCTION**

The following information is provided in connection with the Liquidator's remuneration and disbursements in accordance with SIP 9 (E&W)

CASE NAME	Sportworks Group Limited
COMPANY NUMBER	05418643
OFFICE HOLDER	M P Halligan
FIRM	Anderton Hall Recovery, 11 <sup>th</sup> Floor, Regent House, Heaton Lane, Stockport, SK4 1BS
TELEPHONE	0161 475 0616
TYPE OF APPOINTMENT	Creditors' Voluntary Liquidation
DATE OF APPOINTMENT	21 February 2011

**OVERVIEW OF THE CASE**

This overview is intended to allow the body responsible for the approval of the office holder's fees to view the quantum of those fees in the context of the case in question

**Other Professionals Employed**

EK Employment Law Consultants have been instructed to deal with all employee claims. Their fees are based on a fixed fee relevant to the number of employees

Michael Steel & Co, valuers and auctioneers, of Leeds have been instructed to deal with the valuation and disposal of the Company's plant & machinery. Their fees are based on time spent valuing these assets

I consider the above firms to be firms of repute with the appropriate expertise in their field. My experience of working with them both indicates that their charge out rates and internal delegation result in charges, which are cost effective for this kind of work

**Sale of Assets to Directors**

The Company's assets, comprising plant & machinery were sold on 19 April 2011 by the agents, Michael Steel & Co, to the Directors, Thomas Wenham, Matthew Green, Gary Hargraves and Andrea Kemp, for £1,250 plus VAT. The agents recommended acceptance of their offer, as it would save on costs of removal, marketing and disposal, and no other offers had been received. It was agreed that payment could be made in instalments. I have received all the sale proceeds

	£ Purchase Consideration	£ Ex Situ Market Valuation
Plant & machinery	1,250	1,000

**Complexity of the Case**

The majority of work undertaken in this liquidation has been in connection with dealing with creditors' claims and investigating the Company's affairs

**Exceptional Responsibilities**

There have been no exceptional responsibilities in this matter

**Liquidator's Effectiveness**

The Liquidator has achieved total realisations of £5,966.31

**Estimated Return to Creditors**

On present information, there will be no distribution to be made to any class of creditor

**EXPLANATION OF OFFICE-HOLDERS CHARGING AND DISBURSEMENT RECOVERY POLICIES.**

S98/Pre Appointment disbursements consist of circulars/notifications (including stationery, printing, postage & telephone) of £177.10, room hire of £175.00, and travel expenses of £70.80. Total S98/Pre Appointment disbursements are therefore £422.90, all of which has been drawn

Full details of Anderton Hall Recovery's fees, charge out rates and disbursement policies, are attached at Appendix IV "Fees and Disbursements in Liquidations" Scale rates may increase from time to time over the period of administration on each insolvency case

A summary of Liquidator's disbursements, Category 1 and Category 2, for the period to 20 February 2012 is summarised below -

	£
Circulars/Notification	216 00
Storage of books & records	<u>156 00</u>
TOTAL	<u>372 00</u>

Total Liquidator's disbursements are therefore £372, of which £216 has been drawn to date

#### **NARRATIVE DESCRIPTION OF WORK CARRIED OUT**

A summary of the work carried out from the date of my appointment has included

- Preparation of standard documents in accordance with the Insolvency Act 1986 and in accordance with recommended best practice,
- Dealing with all statutory matters associated with my appointment,
- Investigations into the company's dealings and that of its officers,
- Preparation and lodgement of statutory receipts and payments and other administrative matters,
- Circularising Reports and corresponding with creditors to ascertain claims,
- Office holder file reviews,
- Taxation and VAT issues

#### **TIME AND CHARGE-OUT SUMMARIES**

A schedule of Liquidator's time spent, post appointment and charge-out rates is attached at Appendix III Scale rates may increase from time to time over the period of administration on each insolvency case

#### **RESOLUTIONS**

The resolutions passed at the meeting of creditors, held on 21 February 2011, were -

- The creditors, having considered the explanatory note, "A Creditors' Guide to Liquidators Fees", Resolved That the Liquidator's fees be agreed on a time cost basis and that such remuneration be drawn on account as and when appropriate
- That the Liquidator be reimbursed for any necessary disbursements incurred during the administration of the winding up, in accordance with Anderton Hall Recovery's "Fees and Disbursements in Liquidations" schedule, and in accordance with the provisions of SIP9 Category 1 and 2 disbursements, and that such disbursements be drawn on account as and when appropriate
- That Anderton Hall Recovery's fees for preparing the Statement of Affairs and preparing a report to be presented to the meetings shall be fixed at £3,000 plus VAT To date £1,000 plus VAT has been drawn on account of these fees
- That Anderton Hall Recovery's fees for assisting the Director in convening the meeting of creditors under section 98 of the Insolvency Act 1986 shall be fixed at £3,000 plus VAT These fees have been drawn

I should advise you that under the provisions of Rule 4.131 of the Insolvency Rules 1986, creditors have the right to request that the Liquidator provides further information about his remuneration and expenses incurred during the administration of the liquidation. The request must be made in writing, within 21 days of receipt of this report, and can be made by a secured creditor or an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors or with the permission of the Court. Furthermore, creditors have the right to challenge the Liquidator's remuneration and expenses by application to the Court within 8 weeks of receiving this report. In accordance with Rule 4.49E of the Insolvency Rules 1986 I should advise you that creditors have the right to request that the Liquidator provides further information regarding the administration of the liquidation. The request must be made in writing, within 21 days of receipt of this report, and can be made by a secured creditor or an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors or with the permission of the Court.

# Time Entry - SIP9 Time & Cost Summary

111001 - Sportworks Group Limited  
 Project Code POST  
 From 21/02/2011 To 20/02/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.60	9.10	0.00	13.60	23.30	6,390.50	274.27
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.50	5.20	0.00	0.60	6.30	2,162.50	343.25
Investigations	0.80	3.40	0.00	0.00	4.20	1,510.00	359.52
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	1.40	0.00	0.00	1.40	490.00	350.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>1.90</b>	<b>19.10</b>	<b>0.00</b>	<b>14.20</b>	<b>35.20</b>	<b>10,553.00</b>	<b>299.80</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	



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**Anderton Hall Limited**

**Fees and disbursements in Liquidations (2011-2012)**

**Fees**

The fees of the Liquidator(s) are fixed by reference to time properly spent by the Liquidator and his staff in attending to all matters arising in the liquidation unless otherwise agreed with the creditors  
The liquidator and his staff charge time to all insolvency cases in units of 6 minutes  
Charge out rates are subject to annual review

**Charge out rates (per hour)**

Staff Grade	Rate per hour £
Director	400
Manager/Consultant	350
Case Administrator/cashier	295
Administration assistant	180

**Standard Activity(examples of work)**

Investigations/realisations  
taxation/reports/admin/planning  
creditors/claims

**Disbursements**

In dealing with the Liquidation, the Liquidator(s) will incur specific expenses and disbursements that are recoverable from the assets available in the liquidation in accordance with Rule 4 218 of the Insolvency Rules These are referred to as Category 1 disbursements (creditor approval not required) In addition to specific out of pocket expenditure, the Liquidator will also recover shared or allocated costs of an incidental nature directly incurred on the case These are referred to as Category 2 disbursements (Creditor approval required)

Where no specific provision is made, other expenses and disbursements, Category 1 and 2, are recovered as follows

Expense Type	Basis of Charge
Internal room hire (for each statutory meeting of creditors)	£175 per meeting
Mileage	75p per mile
Storage of company books and records	£1 per box per week*
Creditor & Contributory circulars/notification (incl Stationery, printing, postage, and telephone charges)	£8 for every creditor and contributory, per Circular/notification

\*Where funds permit, a charge for storage of boxes for 12 months after closure of the liquidation is made to cover storage costs until such time as destruction of the records is permitted

Should any creditor require any further information in respect of fees or expenses, then please contact the Liquidator(s)



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