Chartered
Accountants

BROOKMANN HOME LIMITED (IN LIQUIDATION) ("THE COMPANY")

Company Number: 07568206
Registered Office: St James Building, 79 Oxford Street, Manchester, M1 6HT
Trading Address: 5 Universal Square, Devonshire Street, Manchester, M12 6JH

High Court of Justice 3939 of 2013

Progress Report pursuant to Rule 4.49B of The Insolvency Rules 1986

Period: 9 October 2014 to 8 October 2015

THURSDAY
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A12 05/11/2015 #36
COMPANIES HOUSE

Important Notice

This progress report has been produced by the Liquidator of the Company solely to comply with his statutory duty to report to creditors on the progress of the liquidation The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever

Contents

TO ALL CREDITORS OF BROOKMANN HOME LIMITED (IN LIQUIDATION) ("THE COMPANY")

I refer to my appointment as Liquidator of the Company taking over the administration from the Official Receiver with effect from 9 October 2013 and write in order to provide a Progress Report pursuant to Rule 4 49B of the Insolvency Rules 1986

This Progress Report covers the period 9 October 2014 to 8 October 2015 ("the Period") The Progress Report for the Period is broken down as follows

1 Progress during the Period
2 Liquidator Remuneration
3 Disbursements
4 Creditor Rights to Challenging Liquidator Remuneration and Expenses
5 Liquidator's Duties and Execution of Functions
6 Other Matters
7 Enclosures

To assist creditors by affording greater transparency as to my duties and the way in which I would typically execute the same, at section 5 of the Progress Report the same is set out in some detail

1. PROGRESS DURING THE PERIOD

Please see the attached Receipts & Payments Account for the Period

It was stated in my previous progress report dated 27 October 2014 that I had instructed solicitors on a time costs basis in relation to funds that appeared to have been transferred from the Company bank account to the Company directors prior to liquidation

It would appear that the directors currently reside outside the country and as such I have been seeking further details during the Period with regards to the location of the directors and their current means Further to this I have contacted various creditors of the Company to seek funding in order to carry out these investigations into the directors

I can advise that my investigations are continuing into the Company's affairs

1 1 Unrealised Assets

The Official Receiver's report to creditors dated 11 September 2013 does not detail any assets of the Company capable of giving rise to a distribution to creditors

I am not aware of any further assets which remain unrealised to date However, my investigations are ongoing into the matters outlined in the Progress section above It is not yet known whether there will be any realisations in respect of the same

2. LIQUIDATOR REMUNERATION

At a meeting of creditors convened on 10 December 2013 the Company's creditors approved my remuneration on a time costs basis

Enclosed with this Progress Report is a breakdown of time costs incurred by my staff and I in attending to the administration of the Company's estate during the Period These time costs total £5,427 40 in respect of 23 10 hours at an average hourly rate of £234 95

I have also attached a breakdown of my time costs since the date of my appointment on 9 October 2013 These costs total £38,332 20 in respect of 126 50 hours at an average hourly rate of £303 02

There have been insufficient realisations for me to draw any remuneration to date

I attach to this report a detailed breakdown of my time costs to date by category of work undertaken The following table illustrates how the time shown on this detailed breakdown is categorised

Category	**Category Code**
Administration and Planning	100-199
Investigations	200-299
Realisation of Assets	300-399
Creditors	500-599

A summary of the work carried out in each category is provided below

2 1 Administration & Planning

This category would include such tasks as general correspondence, correspondence with solicitors, the preparation of the Company's corporation tax returns and cashiering matters as well as statutory requirements that I am obliged to undertake pursuant to the Insolvency Act 1986 and associated legislation

This category will also include the day-to-day administration of the liquidation estate, the performance of bank reconciliations and compliance reviews, the banking of cheques and maintenance of accurate financial records for the estate and the filing and retrieval of documents from archive

2 2 Investigations

This category will include correspondence with banks, accountants and other third parties in relation to their dealings with the Company and the review of any files or information received which may relate to the Company's affairs It will also involve correspondence with the Company's directors and their solicitors, where relevant

This category will also include the review of the Company's bank records for payments made to or on behalf of any connected entities, including directors, and will where applicable include correspondence with solicitors instructed by me

2 3 Realisations of Assets

This category would include work undertaken in order to attempt to realise any assets of the Company, including correspondence with agents and solicitors under my instruction In addition, it will include the preparation and review of witness statements and court applications

2 4 Creditors

This category would include preparing statutory progress reports, taking telephone calls from creditors, dealing with incoming correspondence from creditors, and holding any creditor meetings

A copy of the guide for creditors can be requested from my office and includes details on office holder remuneration Alternatively this guide may also be accessed along with the latest version of Statement of Insolvency Practice Number 9 ("SIP 9") (England and Wales) at the R3 website

https //www r3 org uk/what-we-do/publications/professional/statements-of-insolvency-practice/e-and-w

SIP 9 can also be accessed at our website http //www ocinsolvency com/ in the Technical Information section If for any reason neither of those links work, then alternatively you should be able to obtain the SIP 9 from the following http //www icaew com/technical/insolvency/insolvency-regulations-and-standards/statements-of-insolvency-practice-sips-england

3. DISBURSEMENTS

I have not incurred any disbursements during the Period

4 CREDITOR RIGHTS TO CHALLENGING LIQUIDATOR REMUNERATION AND EXPENSES

Creditors are entitled under Rule 4 49E of the Insolvency Rules 1986, within 21 days of the receipt of this report (secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or any unsecured creditor with the permission of the court) to request further information from me regarding my remuneration and expenses which have been detailed in this progress report

Pursuant to Rule 4 131 of the Insolvency Rules 1986 creditors (secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or any unsecured creditor with the permission of the court) have a right to challenge my remuneration and expenses via application to Court on the grounds that the remuneration charged or the expenses incurred by me as set out in this report are, in all the circumstances, excessive or, the basis fixed for remuneration is inappropriate

5. LIQUIDATOR'S DUTIES AND EXECUTION OF FUNCTIONS

5 1 Liquidator Duties

I have a number of statutory duties which apply as follows

5 1 1 Duty to call meetings when requisitioned in accordance with the Insolvency Rules

5 1 2 Duty of notification via advertisement of the appointment and the convening of creditors meetings

5 1 3 Duty to provide annual progress reports to creditors and file the same at Companies House

5 1 4 Duty to provide information to the Official Receiver

5 1 5 Duty to collect the Company's assets

5 1 6 Duty to realise assets and discharge liabilities

5 1 7 Duty to discover who the creditors of the Company are and the amount of their claims

5 1 8 Duty to meet the prescribed requirements for the provision of security (referred to as a bond) for certain types of losses in relation to the insolvent estate

5 1 9 Duty to manage and administer the insolvent estate and its funds

It is the primary duty of a liquidator of a company to collect its assets with a view to discharging its liabilities to the extent the assets permit To perform that function the liquidator needs information The companies legislation has for many years given a liquidator power to obtain it from those who can be expected to have relevant information

I am obliged under Section 144 of the Insolvency Act 1986 to take into my custody and control the Company's property, which includes its books, papers and records as defined in Section 436 of the Insolvency Act 1986

A Liquidator enters office as a relative stranger to the Company and I am required pursuant to Statement of Insolvency Practice Number 2 ("SIP 2") to investigate and reconstitute knowledge of the Company SIP 2 states as follows

" an office holder has a duty to investigate what assets there are (including potential claims against third parties including the directors) and what recoveries can be made locate the company's books and records (in whatever form), and ensure that they are secured "

A full copy of SIP 2 can be downloaded from the Technical section of www ocinsolvency com

In the satisfaction of reconstituting knowledge of the Company I am obliged to consider any claims capable of swelling the Company's assets I would therefore need to seek to identify, discover and recover the Company's property To undertake that exercise I will need to obtain the books and records for the Company from its Officers and if relevant its agents Whilst there are many and varied statutory functions of a liquidator, obtaining the books and records is arguably one of the most important duties as without the same it can be impossible to identify the assets with sufficient specificity to enable their recovery

This is a compulsory liquidation and therefore pursuant to Section 143 of the Insolvency Act 1986 I have a duty to furnish and assist the Official Receiver with such information as may be reasonably required for the purposes of carrying out his or her functions in relation to the winding up I am also obliged pursuant to Section 218 of the Insolvency Act 1986 to report to the Official Receiver any apparent criminal offences in relation to the Company by any past or present officer or any member of the Company

5.2 Books and Records

By virtue of Section 386(3) of the Companies Act 2006 the Company's accounting records should have contained daily entries confirming details of all monies received and paid by the Company In addition the same should have contained a record of the assets and liabilities of the Company

Without this information I may be unable to independently verify what assets both exist and or should exist and only be in a position to collect disclosed assets

5 3 Fulfilling the Liquidator's Functions

As this is a compulsory liquidation I have not had any prior dealings and or introduction to the Company through its Directors In light of the same it will be / have been necessary for me to conduct an information gathering exercise to obtain the books and records and also where possible to obtain the Director's cooperation via completion of a questionnaire to obtain data on the Company

There are usually a number of sources of the Company's books, papers and records as follows

5 3 1 the Company's officers such as its Directors;

5 3 2 the Company's accountants who may and often will have acted as its tax agents,

5 3 3 the Company's bankers who may and often will have acted as its agents in the processing of transactions,

5 3 4 the Company's solicitors who may have acted as agents

Accordingly, I intend to or will have sought to call up the files of the Company from those typical sources Often the information gathering process is time consuming with entitlement to information being the focus of some debate

Once the information has been obtained it would need to be collated, catalogued and then reviewed to investigate the Company's affairs, dealings and property

If there are any matters that arise from a review of the same that lead me to not have a satisfactory understanding of the Company's financial affairs or information is incomplete, then it may be necessary for me to interview some or all of the Directors Investigations generally may involve contacting third parties as part of the process of unscrambling the Company's dealings

My investigations into the Company's affairs will generally have regard to any transactions or trading that appear capable of giving rise to greater realisations for creditors The provisions under the Insolvency Act 1986 and Companies Act 2006 which may enable me as Liquidator to effect the same would include but not necessarily be limited to the following

- Section 212 of the Insolvency Act 1986 - Misfeasance and Breach of Duty
- Section 213 of the Insolvency Act 1986 - Fraudulent Trading
- Section 214 of the Insolvency Act 1986 - Wrongful Trading
- Section 238 of the Insolvency Act 1986 - Transactions at an Undervalue
- Section 239 of the Insolvency Act 1986 - Preferences
- Section 423 of the Insolvency Act 1986 - Transactions defrauding creditors
- Section 847 of the Companies Act 2006 - Unlawful Dividends

Directors owe companies fiduciary duties and as a result of their duty of loyalty, to act within their powers, avoid conflicts of interest and to promote the success of the Company, they have a duty to disclose any of the above that give rise to a breach of those duties

If any creditor is aware or becomes aware of the existence of any transactions or trading that they consider to be consistent with the above or of concern generally, then please contact my office to afford me details of the same for my consideration

6 OTHER MATTERS

Should any Creditor reasonably require further particulars in relation to any aspect of the conduct of my administration then please submit such requests in writing to this office The same will be considered and if appropriate further information may be furnished such that you may reasonably require the same

Insolvency Code of Ethics

As I am an insolvency practitioner, by virtue of Statement of Insolvency Practice Number 1, which can be viewed with reference to https //www gov uk/government/collections/statements-of-insolvency-practice-for-insolvency-practitioners, I should inform creditors that I am bound by the Insolvency Code of Ethics, which can be viewed with reference to https //www gov uk/government/publications/insolvency-practitioner-code-of-ethics when carrying out all professional work relating to an insolvency appointment I should if requested, provide details of any threats identified to compliance with the fundamental principles (Integrity, Objectivity, Professional competence and due care, Confidentiality and Professional behaviour) and safeguards applied If any creditor considers that there is any threat (perceived or otherwise) to such compliance then I would be grateful if they could contact me in writing and notify me accordingly of their considered view in respect of the same

In relation to any internet links identified above which appear for any reason to be out of date please contact my office and I shall be happy to afford creditors details of any updated link in order that such documents can be reviewed and downloaded

7 ENCLOSURES

The following are enclosed for your attention

7 1 Breakdown of time costs for the Period

7 2 Detailed breakdown of time costs by category of work undertaken for the Period

7 3 Breakdown of time costs since appointment

7 4 Detailed breakdown of time costs by category of work undertaken since appointment

7.5 Receipts & Payments Account, reconciled with that held by the Secretary of State

Any queries with regard to this Progress Report must be submitted in writing to this office quoting my full reference

Yours faithfully

E H Green
Liquidator
Licensed by the Institute of Chartered Accountants in England & Wales

3 November, 2015

EG1000 **Brookmann Home Limited** 23 October 2015

SIP 9 - Time & Cost Summary
Period 09/10/14 08/10/15

Time Summary

Hours							
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average hourly rate (£)
Administration & planning	3 00	0 00	0 20	10 00	13 20	2,802 20	212 29
Investigations	3 50	0 00	0 00	1 60	5 10	1,769 00	346 86
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 50	0 00	0 00	4 30	4 80	856 20	178 38
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	7 00	0 00	0 20	15 90	23 10	5,427 40	234 95
Total Fees Claimed						0 00	

Sub Analysis in Period

100	Admin & Planning	0 90	135 00
102	Telephone Calls	2 20	660 00
104	Reviews	1 90	285 00
106	General Correspondence	2 30	792 80
113	Our solicitors correspondence	0 90	162 80
117	Internal Memo	0 30	65 80
118	Cashbook / Cashier / Cheque Matters	0 10	15 00
120	Emails	0 20	30 00
121	Filing	2 20	335 00
125	Corporation Tax Return	0 50	75 00
128	Review of case administrators work	1 00	150 00
130	Archiving	0 50	75 00
135	HMRC Correspondence	0 20	20 80
202	Correspondence With Solicitors	0 20	20 80
203	Correspondence With Accountants	0 20	90 00
204	Review Solicitors Files	0 30	45 00
215	Our solicitors correspondence	4 00	1,571 60
221	Telephone Calls	0 40	41 60
503	Creditors Reports	3 60	600 00
512	Correspondence with creditors	1 20	256 20
		23 10	5,427 40

EG1000 **Brookmann Home Limited** 23 October 2015

SIP 9 - Time & Cost Summary
Period 09/10/13 08/10/15

Time Summary

	Hours						
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average hourly rate (£)
Administration & planning	14 30	1 40	0 60	33 50	49 80	11,506 60	231 06
Investigations	48 10	5 30	0 00	13 90	67 30	24,668 60	366 55
Realisations of assets	1 00	0 00	0 00	0 00	1 00	450 00	450 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 50	0 20	0 00	6 70	8 40	1,707 00	203 21
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	64 90	6 90	0 60	54 10	126 50	38,332 20	303 02
Total Fees Claimed						0 00	

Sub Analysis in Period

100	Admin & Planning	0 90	135 00
102	Telephone Calls	7 00	1,530 00
104	Reviews	6 50	1,815 00
106	General Correspondence	7 00	2,077 40
107	Case Opening	11 40	1,584 60
109	Opening Review	1 20	540 00
110	IPS Diary Update	0 10	17 50
111	Other	0 20	20 80
112	Incoming correspondence	0 60	150 00
113	Our solicitors correspondence	1 40	318 60
116	Official Receiver correspondence	0 20	90 00
117	Internal Memo	5 10	1,956 10
118	Cashbook / Cashier / Cheque Matters	0 30	50 00
119	Correspondence with Debtor/Director	0 20	30 00
120	Emails	0 30	40 40
121	Filing	4 10	615 40
124	Internal discussion	0 30	75 00
125	Corporation Tax Return	0 80	120 00
126	VAT Returns	0 10	15 00
128	Review of case administrators work	1 30	205 00
130	Archiving	0 50	75 00
131	Amend Audio Typing	0 10	25 00
135	HMRC Correspondence	0 20	20 80
201	Correspondence With Banks	2 50	627 40
202	Correspondence With Solicitors	13 40	4,412 60
203	Correspondence With Accountants	11 30	4,159 80
204	Review Solicitors Files	0 50	95 00
205	Review Accountants Files	3 50	1,575 00
206	Review Company Records	2 40	960 00
212	Conference With Counsel	1 70	765 00
214	Incoming correspondence	0 20	50 00
215	Our solicitors correspondence	14 60	5,902 40
218	Official Receiver correspondence	0 80	360 00
220	Correspondence with Debtor / Director	10 40	3,496 60
221	Telephone Calls	5 90	2,239 80
229	Enquiry and Investigation Correspondence	0 10	25 00
301	Correspondence With Agents	0 20	90 00
308	Other	0 80	360 00
501	Proofs Of Debt	0 60	90 00
503	Creditors Reports	3 60	600 00
505	Creditors Enquiries/Response	0 20	50 00
506	Creditors Meetings	1 30	345 00
512	Correspondence with creditors	2 70	622 00
		126 50	38,332 20

Brookmann Home Limited
(In Liquidation)

Liquidator's Abstract Of Receipts And Payments

	Statement of affairs £	From 09/10/2014 To 08/10/2015 £	From 09/10/2013 To 08/10/2015 £
RECEIPTS			
		0 00	0 00
PAYMENTS			
Official Receiver's Fee		0 00	1,070 00
Secretary of State Fee		66 00	154 00
		66 00	1,224 00
BALANCE - 08 October 2015		(66.00)	(1,224 00)
MADE UP AS FOLLOWS			
ISA		(66 00)	(1,224 00)
		(66 00)	(1,224 00)

Note

Elliot Harry Green
Liquidator

IPS SQL Ver 5 06

24 September 2015 15 10