

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

SATURDAY



A6LVG8RU

A37

23/12/2017

#342

COMPANIES HOUSE

1 Company details

Company number 08839182

Company name in full J2GC Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Clive

Surname Morris

3 Liquidator's address

Building name/number Heskin Hall Farm

Street Wood Lane

Post town Heskin

County/Region Preston

Postcode PR75PA

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ14

Notice of final account prior to dissolution in CVL

6

Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

7

Final account

☒ I attach a copy of the final account.

8

Sign and date

Liquidator's signature

Signature

X



X

Signature date

d

2

d

0

m

1

m

2

y

2

y

0

y


1

y

7

J2GC Ltd
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 21/04/2015 To 20/12/2017 £	From 21/04/2015 To 20/12/2017 £
	ASSET REALISATIONS		
42,022.74	Cash held in client account	42,022.74	42,022.74
Uncertain	Directors Loan Account	155,000.00	155,000.00
	Bank Interest Net of Tax	0.71	0.71
		<u>197,023.45</u>	<u>197,023.45</u>
	COST OF REALISATIONS		
	Petitioners Costs	920 00	920 00
	Preparation of S of A.	10,000 00	10,000 00
	Office Holders Fees	137,736.95	137,736.95
	Office Holders Expenses	1,031.00	1,031 00
	Professional Fees	8,000.00	8,000.00
	Legal Disbursements	115 50	115 50
	Legal Fees	34,720 00	34,720.00
	Counsels Fees	4,500.00	4,500.00
		<u>(197,023.45)</u>	<u>(197,023.45)</u>
	UNSECURED CREDITORS		
(102,400 00)	Trade & Expense Creditors	NIL	NIL
(517,998 41)	HM Revenue & Customs	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(578,475.67)</u>		<u>(0.00)</u>	<u>(0.00)</u>
	REPRESENTED BY		
			<u>NIL</u>


 Clive Morris
 Liquidator

FINAL ACCOUNT TO CREDITORS AND MEMBERS

J2GC LTD - IN CREDITORS' VOLUNTARY LIQUIDATION

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Content

- Executive Summary
- Administration and Planning
- Enquires and Investigations
- Realisation of Assets
- Creditors
- Fees and Expenses
- EC Regulations
- Conclusion

Appendices

- Appendix I - Statutory Information
- Appendix II – Receipts and Payments account for the period 21 April 2015 to 20 December 2017
- Appendix III - Detailed list of work undertaken in the period
- Appendix IV - Time cost information for period 20 December 2017
- Appendix V - Expenses summary for period

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

Asset	Estimated to realise per Statement of Affairs (£)	Realisations to date (£)	Anticipated future realisations (£)	Total anticipated realisations (£)
Cash held in Client Account	42,023	42,023	Nil	42,023
Directors Loan Account	Uncertain	155,000	Nil	155,000
Bank Interest Net of Tax	Nil	1	Nil	1

Expenses

Expense	Expense incurred to date (£)	Anticipated further expense to closure (£)	Total anticipated expense (£)
Liquidator's fees	137,737	1,000	138,737
Liquidator's Expenses	1,031	Nil	1,031
Professional Fees	8,000	Nil	8,000
Legal Fees	34,720	Nil	34,720
Counsels Fees	4,500	Nil	4,500
Preparation of the Statement of Affairs	10,000	Nil	10,000
Petitioning Creditors Costs	920	Nil	920

Dividend prospects

Creditor class	Anticipated distribution / dividend, based upon the above
Secured creditor	N/A
Preferential creditors	N/A
Unsecured creditors	Nil

ADMINISTRATION AND PLANNING**Statutory information**

Statutory information may be found at Appendix I.

The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

Reporting

The Liquidator has met his statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

During the Review Period, the following key documents have been issued:

- Section 98 Report to creditors;
- The issuing of the statutory annual progress report
- This report;

During the Review Period, the following material tasks in this category were carried out:

- Case reviews
- Investigation into the Director's Loan Account

ENQUIRES AND INVESTIGATIONS

During the Review Period, the Liquidator carried out a review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the director by means of questionnaires and interviews; making enquiries of the Company's accounts; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The director provided the books and records and a completed questionnaire as well as a Statement of Affairs.

The information gleaned from this process enabled the Liquidator to meet his statutory duty to submit a confidential report on the conduct of the director to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment revealed matters that the Liquidator considered merited further investigation. It was identified that the Director incurred liabilities to the Company by way of his Director's Loan Account and his misfeasance to the amount of £2,813,100. The Director had insufficient funds to discharge this liability in full, so an arrangement was made with the Liquidator to settle all claims for the sum of £155,000. This amount was paid to the Liquidator.

Although this work did not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

Pre-Appointment transactions with connected parties

There were no pre-appointment transactions which should be disclosed.

REALISATION OF ASSETS

Cash held in Client Account

We successfully liaised with the operating bank in order to secure the funds relating to the Cash held in Client Account. Those funds were received.

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Directors Loan Account

Following the initial investigation previously mentioned and identifying the money owing to the Company from the Director, negotiations were entered into with the view that should an arrangement not be agreed, then litigation was seriously viable.

An agreement was reached and the Director has paid the amount to us that had been expected under the agreement and within the specified timescales.

There are no further assets to be realised.

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Liquidator formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Transactions with connected parties

Since my appointment no sale to a connected party has occurred.

Payments Relating to the Realisation of Assets

Office Holders Fees

Payments totalling £137,737 were made in respect to time costs incurred in dealing with matters during the course of the Liquidation.

Professional Fees

The sum of £8,000 was paid to Eric Sinclair for Professional Fees for the undertaking of forensic accounting in the lead up to the engagement of solicitors.

Legal Fees

The sum of £34,720 was incurred in Legal Fees which were incurred on a time cost basis in relation to reaching a settlement with the former director in regards to the Director Loan Account.

Counsels Fees

The sum of £4,500 was incurred in Counsel Fees in relation to advice in reaching a settlement with the former director in regards to the Director Loan Account.

Legal Disbursements

£116 was incurred by way of legal disbursements.

Petitioning Creditors Costs

£920 was paid to HMRC in order to have the winding up petition dismissed.

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

The Company has not granted any charges over its assets.

Preferential creditors

Employee claims

There are no Employees claims in this Liquidation.

Unsecured creditors

HMRC was shown to be owed £517,998. A claim of £982,467 has been received.

The trade and expense creditors as per the statement of affairs totalled £102,700. Please be advised that proofs of debt are still being received and therefore the total value of unsecured claims is not known at present.

Dividend

No distribution was made to unsecured creditors.

FEES AND EXPENSES

Pre-Appointment Costs

Fixed fee agreed with the Directors and ratified by members and creditors.

The creditors authorised the fee of £10,000 for assisting the directors in calling the relevant meetings and with preparing the Statement of Affairs on 21 April 2015.

The fee for assisting with the Statement of Affairs and meetings was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

The Liquidator's fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and a partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.

The basis of the Liquidator's fees was approved by creditors on 21 April 2015 in accordance with the following resolutions:

"Marshall Peters Limited be able to draw a fee of £10,000 plus VAT for professional costs associated with the calling of the creditors meeting"

And;

“Marshall Peters Limited be reimbursed for all properly incurred category 1 disbursements relating to payments to an individual third party generally comprising of external supplies of incidental services.”

And;

“Marshall Peters Limited be reimbursed for all properly incurred category 2 disbursements with such expenses being of an incidental nature directly incurred on the case including elements of shared or allocated costs / overheads.”

And;

“The Liquidator’s fees be charged on a time cost basis”

The time costs for the period 21 April 2015 to 20 December 2017 total £150,292.25, representing 722.80 hours at an average hourly rate of £207.93. The sum of £137,737.94 has been drawn on account of time costs incurred. The time costs for the period are detailed at Appendix IV.

Disbursements

The disbursements that have been incurred and paid during the period are detailed on Appendix VI.

The category 1 disbursements paid for in the period 21 April 2015 to 20 December 2017 total £49,287 and are detailed at Appendix II and represent the simple reimbursement of actual out of pocket payments made in relation to the assignment.

No category 2 disbursements have been paid for the period 21 April 2015 to 20 December 2017.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of ‘A Creditors’ Guide to Fees’ together with the firm’s charge-out rate and disbursement policy may be found at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>.

A hard copy of both the Creditors’ Guide and the firm’s charge-out rate and disbursement policy may be obtained on request.

Other professional costs

Solicitors

Turner Parkinson LLP were instructed as legal advisors in relation to the Director’s Loan Account. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The solicitors’ fees for the period 21/04/2015 to 20/12/2017 amount to £33,335.50 and they have been paid in full.

Forensic Accounting

Eric Sinclair was instructed for the purposes of forensic accounting and assisting in the recovery of the Director Loan Account. The costs have been agreed on a fixed fee basis at a rate of £8,000 plus VAT. These fees have been paid in full.

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Accounting Services

AMS Accountants were paid £3,000 plus VAT for accountancy services rendered.

These figures are included within the category 1 disbursements.

EC REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

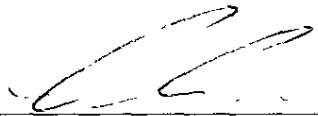
The Company's centre of main interest was in 48 Charlotte Street, London, W1T 2NS and therefore it is considered that the EC Regulations will apply. These proceedings are main proceedings as defined in Article 3 of the EC Regulation.

CONCLUSION

There are no other matters outstanding and the affairs of the company have been fully wound up.

If you require any further information, please contact this office.

Signed _____



Clive Morris

Liquidator

20 December 2017

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix I

Statutory Information

Appointed By	Members and Creditors
Company Name	J2GC Ltd
Former Trading Name	n/a
Company Number	08839182
Registered Office	Heskin Hall Farm Wood Lane Heskin Preston PR7 5PA
Former Registered Office	48 Charlotte Street London W1T 2NS
Officeholder	Clive Morris (IP 8820)
Officeholders address	Marshall Peters, Heskin Hall Farm, Wood Lane, Heskin, Preston, PR7 5PA
Date of appointment	21 April 2015

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix II

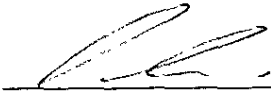
Receipts and Payments account for the period 21 April 2015 to 20 December 2017

J2GC Ltd
(In Liquidation)

Liquidator's Summary of Receipts and Payments
To 20 December 2017

RECEIPTS	Statement of Affairs (£)	Total (£)
Rates	NIL	0.00
Cash held in client account	42,022.74	42,022.74
Directors Loan Account	Uncertain	155,000.00
Bank Interest Net of Tax		0.71
		<hr/>
		197,023.45
		<hr/>
PAYMENTS		
Petitioners Costs		920.00
Preparation of S of A		10,000.00
Office Holders Fees		137,736.95
Office Holders Expenses		1,031.00
Professional Fees		8,000.00
Legal Disbursements		115.50
Legal Fees		34,720.00
Counsels Fees		4,500.00
Trade & Expense Creditors	(102,400.00)	0.00
HM Revenue & Customs	(517,998.41)	0.00
Ordinary Shareholders	(100.00)	0.00
		<hr/>
		197,023.45
		<hr/>
Net Receipts/(Payments)		0.00
		<hr/>

MADE UP AS FOLLOWS

	<hr/>
	0.00
	<hr/>
	
	<hr/>
	Clive Morris
	Liquidator

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix III

Detailed list of work undertaken for J2GC Ltd in Creditors' Voluntary Liquidation for the review period 21 April 2015 to 20 December 2017.

Below is detailed information about the tasks undertaken by the Liquidator.

Statutory and General Administration	Setting up the case onto the IPS system and managing physical file
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Pension scheme	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified
Reports	Circulating initial report to creditors upon appointment Preparing annual progress report, investigation, meeting and general reports to creditors Disclosure of sales to connected parties Circulating final report to creditors
Meeting of Creditors	Preparation of meeting notices, proxies/voting forms and advertisements notice of meeting to all known creditors Collate and examine proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Responding to queries and questions following meeting Issuing notice of result of meeting
Closure	Review case to ensure all matters have been finalised Draft final report Obtain clearance to close case from HMRC together with submitting final tax return Obtain final accounts from agents solicitors and others instructed File documents with Registrar of Companies
Investigations	Conducting an investigation into the duties of the director to enable the submission of the director report
SIP 2 Review	Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary report if required Assisting the Insolvency Service with its investigations
Examinations	Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
Litigation / Recoveries	Strategy meeting regarding litigation Reviewing terms of solicitors' conditional fee agreements Preparing brief to solicitors/Counsel Liaising with solicitors regarding recovery actions

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

	Dealing with ATE insurers Attending to negotiations Attending to settlement matters
Realisation of Assets	Realising the assets of the Company
Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

HOURLY CHARGE-OUT RATES OF THE STAFF OF MARSHALL PETERS LIMITED AS AT 10 JUNE 2013:-

	£
Director	350
Manager	245
Assistant Manager	200
Senior Administrator	160
Administrator	135
Senior Cashier	135
Cashier	90
Support Staff	90

Minimum charge-out will be in six minute units.

CATEGORY 2 DISBURSEMENTS:-

Business Mileage	45p per mile
Meeting Room and Refreshments	£80 per hour
Document Storage and Retrieval	£1.65 per box per quarter
Photocopying	10 pence per sheet per copy

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix IV

Time cost information for period 21 April 2015 to 20 December 2017.

Time Entry - Detailed SIP9 Time & Cost Summary

J029 - J2GC Ltd
To 20/12/2017
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning	5.50	29.30	20.50	12.50	67.80	15,168.50	223.72
101 Case planning	8.00	2.30	0.00	0.20	10.50	3,387.50	322.62
102 Administrative set-up	0.00	1.10	0.00	0.00	1.10	289.00	245.00
103 Appointment notification	3.50	1.70	0.00	0.60	5.80	1,237.50	213.36
104 Maintenance of records	0.00	0.00	0.00	83.20	83.20	11,406.00	137.09
105 Statutory reporting	6.50	9.40	5.50	2.00	23.40	6,093.00	260.38
106 VAT and Tax Returns	4.00	9.50	5.80	11.50	30.80	6,657.50	216.15
107 Case Monitoring	20.50	35.80	1.00	55.30	112.60	24,934.00	221.44
Administration & Planning	48.00	89.10	32.80	165.30	335.20	69,153.50	206.31
600 Cashiering	0.00	0.00	0.00	12.55	12.55	1,640.25	130.70
601 Postings	0.00	0.00	0.00	2.40	2.40	306.00	127.50
602 Final R&P & VAT work	0.00	0.20	0.00	3.25	3.45	439.00	127.25
603 Billings	0.00	0.00	0.00	10.30	10.30	1,240.50	120.44
604 Banking	0.00	0.00	0.00	0.40	0.40	54.00	135.00
Case specific matters	0.00	0.20	0.00	28.90	29.10	3,679.75	126.45
500 Creditors	0.00	2.10	0.00	1.20	3.30	706.50	214.09
501 Communication	0.00	3.40	0.00	3.45	6.85	1,371.00	200.15
502 Claims inc emp. prefs	3.00	3.50	0.00	0.50	7.00	1,987.50	283.93
505 Final Report	0.00	0.00	0.00	5.25	5.25	630.00	120.00
Creditors	3.00	9.00	0.00	10.40	22.40	4,695.00	209.60
200 Investigations	19.40	80.10	76.50	96.80	274.80	57,462.50	209.11
201 SIP 2 review	1.00	0.00	5.00	1.30	7.30	1,558.00	213.42
202 CDDA reports	1.00	1.40	4.00	0.00	6.40	1,493.00	233.28
203 Antecedent transactions	0.00	16.00	0.00	0.00	16.00	3,920.00	245.00
Investigations	21.40	97.50	85.50	100.10	304.50	64,433.50	211.60
300 Realisation of assets	0.00	5.80	1.00	6.50	13.30	2,661.00	200.08
305 Legal matters	11.70	6.10	0.00	0.50	18.30	5,669.50	309.81
Realisation of Assets	11.70	11.90	1.00	7.00	31.60	8,330.50	263.62
Total Hours	84.10	207.70	119.30	311.70	722.80	150,292.25	207.93
Total Fees Claimed						137,736.94	

FINAL ACCOUNT OF J2GC Ltd - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix V

Expenses summary for periodfor J2GC Ltd Limited in Creditors' Voluntary Liquidation

Below are details of the Liquidator's expenses for the period under review and the total to date.

Expenses	Actual expenses incurred to date £
Petitioning Creditors Costs	920
Preparation of the Statement of Affairs	10,000
Office Holders Fees – Time Cost Basis	137,737
Office Holders Expenses	1,031
Professional Fees	8,000
Legal Disbursements	116
Legal Fees	34,720
Counsels Fees	4,500
Total	197,023 45