

Boswell Solutions Limited – In Liquidation

**Report To a Meeting Of Creditors Held Pursuant To Section 98 Of The Insolvency Act 1986
At the offices of KSA, Level 7 Tower 42, 25 Old Broad Street, London, EC2N 1HN
On 26 October 2010 at 12.30 pm**

1. Statutory Information

1.1 Detailed below is information extracted either from the statutory books of the company or from records held by the Registrar of Companies.

Previous Names:	Boswell Solutions Limited	
Company Number:	05959315	
Date of Incorporation:	06/10/2006	
Registered Office:	was 16 Church Gardens, London, W5 4HH but recently changed to C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU	
Shareholdings:	100 Ordinary Shares of £1, one of which has been issued and fully paid.	
Shareholders:	James Flanagan	£1 Ordinary Share 1
Directors in the last 3 years:	James Flanagan	
Company Secretary:	James Flanagan	
Nature of Business:	Management consultancy services	
Trading Address:	3rd Floor, Maple House, High Street, Potter's Bar, EN6 5BS	

2. History of the Company

2.1 The company was incorporated on 6 October 2006 and began trading shortly thereafter. The company provided project and programme management consultancy services primarily to public sector clients.

2.2 The company began trading following the award of an initial six month contract with the Foreign and Commonwealth Office, working on the UK Visas Commercial Partnerships Programme. Following the successful completion of this contract an additional contract was offered, this time on the high profile UK Visas Biometrics Programme announced in 2005.

2.3 The success of those contracts, on time and on budget, and the critical acclaim attracted by the projects solidified the company's reputation. This led to several new contract opportunities with the last contract finishing in March 2009.

2.4 Due to the company's excellent reputation a six month contract was secured with the Home Office and this was completed in November 2009. By this time the economy had deteriorated and work was becoming difficult to find. This, coupled with a change in Government, saw many contract opportunities within the public sector disappear.

2.5 The director attempted to secure additional investment and revenue streams for a period of approximately 10 months, however this proved unsuccessful and the company's liabilities increased significantly.

- 2.6 With this in mind, a meeting was arranged with representatives of KSA Group Ltd. Based on financial information provided by the director it was evident that the company was insolvent. After consulting further with representatives of KSA Group Ltd the director felt he had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.
- 2.7 The director considers that the main reasons for the company's failure were as follows:
1. The loss of contract opportunities as a result of the economic climate and a change in Government; and
 2. A build up of liabilities during the period when seeking additional work.

3. Meetings of Members and Creditors

- 3.1 At a meeting of the board of directors held on 12 October 2010 it was agreed that meetings of members and creditors should be summoned for the purposes of placing the company into Creditors Voluntary Liquidation. Notices were signed summoning the meetings for 26 October 2010. The notices were issued to shareholders and creditors on 15 October 2010.
- 3.2 Having duly been given notice of the shareholders meeting, all members of the company agreed that, in order to ensure no further liabilities were incurred by the company, the statutory notice period required for an extraordinary general meeting of the company should be waived.
- 3.3 Accordingly, on 26 October 2010 at a meeting of the shareholders, duly convened at the offices of KSA Group Limited, Level 7 Tower 42, 25 Old Broad Street, London, EC2N 1HN resolutions were passed placing the company into Voluntary Liquidation and appointing E Walls and W Harrison, who are licensed in the UK to act as an insolvency practitioner by the Insolvency Practitioners Association, joint liquidators.
- 3.4 Prior to being asked to advise the directors on the affairs of the company the partners and staff of KSA Group Limited had had no material professional relationship with the company, its directors or shareholders.

4. Transactions with Associated Companies or Trading Organisations

- 4.1 There are no associated companies or trading organisations.

5. Extracts from Accounts and other Financial Information

- 5.1 A summary of the company's recent financial history is attached at Appendix 1 to this report.

6. Statement of Affairs

- 6.1 A statement of affairs of the company as at 26 October 2010 has been prepared by the director. A summary of the statement of affairs is attached to this report, along with accompanying notes, and an estimated deficiency account in respect of the period of trading.
- 6.2 As a result of The Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs in respect of PAYE, NIC and VAT, was abolished. This change in legislation also introduced provisions for the liquidator to set aside a certain proportion of the company's net property to deal with the claims of unsecured creditors in advance of the claims of the holder of a floating charge. This is known as the Prescribed Part. **These provisions only apply if a floating charge was created after implementation of The Enterprise Act on 15 September 2003.** The company has no floating chargeholder and therefore the prescribed part rules do not apply.
- 6.3 The statement of affairs takes no account of the cost and expenses of the liquidation or of realising the company's assets.

7. Business conducted at the meeting

7.1 No creditors attended the meeting other than the director. One proxy had been received in favour of the chairman.

7.2 The chairman opened the meeting and W Harrison of KSA Group Ltd, who had been appointed joint liquidator of the company by the shareholders of Boswell Solutions Limited, presented a brief report to the meeting and reviewed the statement of affairs of the company which had been drawn up to the date of liquidation on his behalf.

7.3 There being no further issues raised by the creditors the chairman moved to the formal business of the meeting. Accordingly, creditors approved the following resolutions:

- the appointment of E Walls and W Harrison of KSA Group Ltd, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, was confirmed.
- a creditors' committee was not established.

In the absence of a creditors committee:

- The meeting was informed that an agreed fee of £3,000 plus VAT plus disbursements will be paid to KSA Group Limited in respect of the costs of assisting the directors in preparing the statement of affairs and summoning and holding the meetings of members and creditors. The meeting was also informed that KSA Group Ltd had received funds of £1,762.50 from third party funds.
- it was agreed that liquidators' remuneration would be calculated by reference to time costs incurred by the liquidators and their staff and authorisation was given for the liquidators to draw remuneration on account of those time costs when they felt it was appropriate.
- The liquidator informed the meeting that the current charge out rates for staff likely to deal with matters pertaining to this liquidation were as follows:

	£ per hour
Administrators	40 – 100
Managers	100 – 175
Partners	175 – 300

- It was agreed that all disbursements incurred by the liquidators' firm should be reimbursed at direct cost save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor would be levied, and motor travel where a charge of 50p per mile would be made.
- it was agreed that the level of the liquidators' specific performance bond should be set at £10,000

Boswell Solutions Limited
Summary of Recent Financial History

Accounting Information

The following information has been extracted from the Company's annual accounts for the period 31 October 2008 and for the year 31 October 2009.

	Annual Accounts 31 October 2009 £	Annual Accounts 31 October 2008 £
Profit and Loss Account		
Turnover	82,917	75,447
Gross Profit	72,336	66,427
Director's Remuneration	10,189	8,946
Dividends	0	55,264
Net profit/ (Loss) After Taxation & Dividends	57,221	53,361
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
Balance Sheet		
Fixed Assets	NIL	NIL
Current Assets	26,424	25,652
Liabilities	(18,958)	(20,143)
Total Assets Less Liabilities	<hr style="border-top: 3px double black;"/> <u>7,466</u>	<hr style="border-top: 3px double black;"/> <u>5,509</u>
Capital and reserves	1	1
Profit and loss account	7,465	5,508
Shareholders Reserves	<hr style="border-top: 3px double black;"/> <u>7,466</u>	<hr style="border-top: 3px double black;"/> <u>5,509</u>

Insolvency Act 1986

Boswell Solutions Limited
 Estimated Statement Of Affairs as at 26 October 2010

	Book Value £	Estimated to Realise £
ASSETS		
Director's Loan Account	13,658.00	6,000.00
		<u>6,000.00</u>
LIABILITIES		
PREFERENTIAL CREDITORS:-		
		NIL
		<u>6,000.00</u>
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003		
		NIL
		<u>6,000.00</u>
Estimated prescribed part of net property where applicable (to carry forward)		NIL
		<u>6,000.00</u>
DEBTS SECURED BY FLOATING CHARGE		
		NIL
		<u>6,000.00</u>
Estimated prescribed part of net property where applicable (brought down)		NIL
		<u>6,000.00</u>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors		18,656.33
		<u>18,656.33</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(12,656.33)
		<u>(12,656.33)</u>
Issued and called up capital		
Ordinary Shareholders		1.00
		<u>1.00</u>
TOTAL SURPLUS/(DEFICIENCY)		<u><u>(12,657.33)</u></u>

Boswell Solutions
Statement Of Affairs as at 26 October 2010

B - List of Creditors

Unsecured Creditors

Name	Address	£
HM Revenue & Customs	Mersey Bank House, Barbauld Street, Warrington, Cheshire, WA1 1WA	18,656.33
		Total
		<u>18,656.33</u>

Signature _____ Date _____

Boswell Solutions Limited – In Liquidation

Notes to the Estimated Statement of Affairs

1. Chattel assets

1.1 The company holds no chattel assets.

2. Trade and Expense Creditors

2.1 Details of amounts due to creditors have been taken from the books and records of the company. Inclusion in the statement of affairs of the company does not constitute agreement that these amounts are, or were at any time, owed by the company and does not entitle a creditor to participate in any future distribution.

3. Costs and Expenses of Liquidation and Asset Realisation

3.1 The statement of affairs takes no account of the costs and expenses of the liquidation or realising the assets of the company.

Boswell Solutions Limited

Estimated Deficiency Account

For the period from 1 November 2009 to 26 October 2010.

	£	£
Reserves Balance at 31 October 2009		7,465
Amounts written off for the purposes of the statement		
	<hr/>	<hr/> NIL
		7,645
Extraordinary Items		
		<hr/> NIL
		7,465
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<hr/> (20,121)
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<hr/> (12,656)