

**In the Matter of Early-Stage Executive Search Limited  
And in the Matter of the Insolvency Act and Rules 1986**

Company Number: 05639073  
Trading As: Early-Stage Executive Search Limited  
Formerly: None Known  
Registered Office: 88 Sheep Street, Bicester, Oxfordshire, OX26 6LP  
Trading Address: Peter House, Oxford Street, Manchester, M1 5AN

In accordance with Rule 4.106, We, Eric Walls and Wayne Harrison of KSA Group Limited C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU hereby give notice that on 15 July 2011 we were appointed joint liquidators of Early-Stage Executive Search Limited by resolutions of members and creditors.

Notice is hereby given that the creditors of the above named company, which is being voluntarily wound up, are required, on or before 30 November 2011 to send in their full forenames and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned E Walls (IP No. 9113) and W Harrison (IP No. 9703) of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, Alternative Contact: E Walls, [insolvency@ksagroup.co.uk](mailto:insolvency@ksagroup.co.uk), 0191 482 3343, the Liquidators of the said company, and, if so required by notice in writing from the said liquidators, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution.

Dated: 19 July 2011

E Walls  
Joint Liquidator of Early-Stage Executive Search Ltd

Insolvency Act 1986  
 Early-Stage Executive Search Limited  
 Estimated Statement Of Affairs as at 15 July 2011



	Book Value £	Estimated to Realise £	£
<b>ASSETS</b>			
Tangible Assets	854.00		100.00
Overdrawn Director's Loan Account	167,486.00		
			100.00
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS:-</b>			
Employees - Arrears & Holiday Pay		9,453.71	
			9,453.71
			(9,353.71)
<b>DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003 OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS</b>			
			NIL
			(9,353.71)
Estimated prescribed part of net property where applicable (to carry forward)			NIL
			(9,353.71)
<b>DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003</b>			
			NIL
			(9,353.71)
Estimated prescribed part of net property where applicable (brought down)			NIL
			(9,353.71)
<b>Unsecured non-preferential claims (excluding any shortfall to floating charge holders)</b>			
Trade & Expense Creditors		89,971.97	
Employees - Redundancy & Notice Pay		20,526.36	
			110,498.33
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			(119,852.04)
			(119,852.04)
<b>Issued and called up capital</b>			
Ordinary Shareholders		100.00	
			100.00
<b>TOTAL SURPLUS/(DEFICIENCY)</b>			<b>(119,952.04)</b>

**1. Tangible Assets**

1.1 The tangible assets of the company consist of fixtures and fittings and computer equipment. No professional valuation of the assets has been obtained in order to mitigate cost. Book values attributed to those assets in the statement of affairs have been taken from the most recent set of annual account for the year ended 30 June 2011.

**2. Overdrawn Director's Loan Account**

2.1 The amount for the overdrawn director's loan account has been taken from the company's most recent set of accounts for the period ended 30 June 2011. Following liquidation the liquidators will review the position and report to creditors in due course.

**3. Prescribed Part of Net Property**

3.1 As a result of the Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs, in respect of PAYE, NIC deductions and VAT, was abolished. This change in legalisation 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. **These provisions only apply if the floating charge was created on or after 15 September 2003.** The prescribed part does not apply in this case.

**4. Amounts due to Employees**

4.1 In some instances it has been necessary to estimate the amounts due to employees in respect of arrears of wages, holiday pay, pay in lieu of notice and redundancy.

**5. Trade and Expense Creditors**

5.1 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.

**6. Costs and Expenses of Liquidation and Asset Realisations**

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

## 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:	None known						
Company Number:	05639073						
Date of Incorporation:	29 November 2005						
Registered Office:	Was 88 Sheep Street, Bicester, Oxfordshire, OX26 6LP but recently changed to C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU						
Shareholdings:	100 Ordinary Shares of £1, all of which have been issued and fully paid.						
Shareholders:	<table><thead><tr><th></th><th>£1 Ordinary Share</th></tr></thead><tbody><tr><td>Sarah Juliet Bateman-Mycroft</td><td>50</td></tr><tr><td>Gordon Lincoln Bateman-Mycroft</td><td>50</td></tr></tbody></table>		£1 Ordinary Share	Sarah Juliet Bateman-Mycroft	50	Gordon Lincoln Bateman-Mycroft	50
	£1 Ordinary Share						
Sarah Juliet Bateman-Mycroft	50						
Gordon Lincoln Bateman-Mycroft	50						
Directors in the last 3 years:	Gordon Lincoln Bateman-Mycroft						
Company Secretary:	Peter Crossley Bateman						
Nature of Business:	Labour recruitment and provision of personnel						
Trading Address:	Peter House, Oxford Street, Manchester, M1 5AN						

## 2. History of the Company

2.1 The company was incorporated on 29 November 2005 and began trading 2007. The company provided search and recruitment services mainly to new businesses; a sector not traditionally targeted by other recruitment companies.

2.2 Initially the business was funded through revenues generated from recruitment assignments where the company charged a fee when an individual joins a company. This was typically 12.5% of the person's first year salary. In 2008 one of the company's clients started to go through significant growth. The company recruited individuals for all levels of the business and over the next two years managed the majority of the client's external recruitment.

2.3 The company focused heavily on this client which accounted for approximately 2 thirds of its revenue. The client's business appeared to be very secure. The company therefore built up a team around this account. During the second half of 2010, the company was working on the recruitment of a number of individuals for this client and the value of the work was over £170,000.

2.4 At the end of 2010 the parent company of the company's main client unexpectedly hit financial difficulty as their investors were no longer in a position to fund the company. All recruitment was put on hold including the £170,000 worth of work which the company was close to completing. This was a significant loss for the company in terms of salaries, expenses, advertising etc. to deliver this major project. The CEO of the client stated that the recruitment may become active again early in 2011.

- 2.5** The loss in work from the main client meant the company needed to cut costs and find work from elsewhere to meet its other contractual obligations with advertisers, phone service providers, etc. The director cut costs through reducing staff numbers, moving out of its office in Honley and him and his wife, who was an employee of the company, drew very little salary since 2009.
- 2.6** Through the first half of 2011 the company's main emphasis was on business development. However the market became much more competitive due to decreased demand for recruitment in the current economic situation. The company started to sell other services to generate income including management assessments and due diligence, but the fees from those services were not great enough to cover costs. In June 2011 the company's main client went into administration.
- 2.7** The director attempted to trade through but it was difficult to secure and deliver enough work to cover the build up of liabilities. The director undertook a review of the business, the market and the financial projects and came to the conclusion that without its main client the business was no longer viable.
- 2.8** With no option to raise additional finance and with increasing pressure from creditors 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 directors felt they had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.
- 2.9** The director considers that the main reasons for the company's failure were as follows:
1. The loss of work from its major client entering administration; and
  2. The increased competition for work which resulted in reduced profit margins.

### **3. Meetings of Members and Creditors**

- 3.1** At a meeting of the board of directors held on 15 June 2011 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 15 July 2011. The notices were issued to shareholders and creditors on 15 June 2011.
- 3.2** Accordingly, on 15 July 2011 at a meeting of the shareholders, duly convened at the Britannia Hotel Manchester, 35 Portland Street, Manchester, M1 3LA 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 practitioners by the Insolvency Practitioners Association, joint liquidators.
- 3.3** Prior to being asked to advise the director on the affairs of the company the partners and staff of KSA Group Limited had had no material professional relationship with the company, its director or shareholders.

### **4. Transactions with Associated Companies or Trading Organisations**

- 4.1** There are no known 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 to this report.

### **6. Statement of Affairs**

- 6.1** A statement of affairs of the company as at 15 July 2011 has been prepared by the directors. 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** 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 however a number of proxies 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 Early-Stage Executive Search 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 £4,500 plus VAT plus disbursements will be paid to KSA Group Limited in respect of the costs of assisting the director 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 £2,400 including VAT, which are being held in the liquidators' client account.
- 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 liquidators 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

## Early-Stage Executive Search Limited

### Summary of Recent Financial History

#### Accounting Information

The following information has been extracted from the Company's annual accounts for the period ended 30 June 2011 and for the periods 31 August 2010.

	Annual Accounts 30 June 2011 £	Annual Accounts 31 August 2010 £
<b>Profit and Loss Account</b>		
Turnover	172,779	259,659
Gross Profit	21,418	404,325
Directors' Remuneration	5,333	1,167
Dividends	NIL	NIL
Net profit/ (Loss) After Taxation & Dividends	(140,278)	178,239
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
<b>Balance Sheet</b>		
Fixed Assets	853	1,354
Current Assets	177,918	289,719
Liabilities	(125,897)	(97,921)
Total Assets Less Liabilities	<hr style="border-top: 1px solid black;"/> <u>52,874</u>	<hr style="border-top: 1px solid black;"/> <u>193,152</u>
Capital and reserves	100	100
Profit and loss account	52,774	193,052
Shareholders Reserves	<hr style="border-top: 1px solid black;"/> <u>52,874</u>	<hr style="border-top: 1px solid black;"/> <u>193,152</u>

B - List of Creditors

Unsecured Creditors

<b>Name</b>	<b>Address</b>	<b>£</b>
Arval	Windmill House, Swindon, SN5 6PE	509.00
BUPA	Room 60, 3 Anchorage Quay, Salford Quays, Manchester, M50 3XL	105.17
CIPtex Solutions Limited	1 Woodingdean Business Park, Sea View Way, Brighton, BN2 6NX	4,372.40
EBOSS	4th Floor, Bristol & West House, Bournemouth, H1 1BN	4,932.01
EMEDCAREERS	Technology Park, Langstone Road, Havant, Hampshire, PO9 1SA	243.75
HM Revenue and Customs	Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	19,335.66
HM Revenue and Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AF	26,617.27
HM Revenue and Customs	Insolvency Services, Longbenton, Newcastle upon Tyne, NE98 1ZZ	2,795.00
Lloyds TSB plc	c/o DWF LLP, 5 St Paul's Square, Old Hall Street, Liverpool, L3 9AE	26,762.57
Monster	Chancery House, 3-64 Chancery Lane, London, WC2A 1QS	1,319.94
Myruby Services	The Centre, Colchester Business Park, Colchester, CO4 9QQ	53.03
Queens Square Properties	Carlin Farm, Oldfield Road, Honley, HD9 6RN	1,603.94
Regus Management (UK) Ltd	3000 Hillswood Drive, Chertsey, KT16 0RS	14.07
Rentsmart	7th Floor Oakland House, Talbot Rd, Old Trafford, Manchester, M16 0PQ	144.91
Wiley	Distribution Centre, 1 Oldlands Way, Bognor, West Sussex, PO22 9SA	1,163.25
		<b>89,971.97</b>

Signature \_\_\_\_\_ Date \_\_\_\_\_

## Early-Stage Executive Search Limited

### Estimated Deficiency Account For the period from 1 July 2011 to 15 July 2011.

	£	£
Reserves Balance at 30 June 2011		52,774
Amounts written off for the purposes of the statement		
Tangible Assets	754	
Overdrawn Director's Loan Account	167,486	
	<hr/>	<hr/> (168,240)
		(115,466)
Extraordinary Items		
Employees Claims - Redundancy / notice pay		<hr/> (20,526)
		(135,992)
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<hr/> 16,140
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<hr/> (119,852)