

Liquidators' Progress Report**S.192****Pursuant to Section 92A, 104A and 192 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

00749158

(a) Insert full name of Company

Name of Company

(a) **Paignton Glassworks**

Limited

(b) Insert full name(s)
and address(es)

I/We (b)

Giles Richard Frampton
Richard J. Smith & Co
53 Fore Street
Ivybridge
PL21 9AE

Hamish Millen Adam
Richard J Smith & Co
53 Fore Street
Ivybridge
PL21 9AE

the liquidator(s) of the company attach a copy of my/our Progress Report under
Section 192 of the Insolvency Act 1986

The Progress Report covers the period from **11 February 2016 to 10 February
2017**

Signed.....

Date 3 April 2017

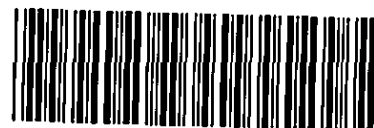
Signed.....

Date 3 April 2017

Presenter's name,
address and
reference
(if any)

Printed by Richard J. Smith & Co

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COMPANIES HOUSE

Joint Liquidators' Annual Progress Report to Creditors & Members

**Paignton Glassworks Limited
- In Liquidation**

29 March 2017

PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION

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PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Hamish Adam of Richard J Smith & Co, 53 Fore Street, Ivybridge, Devon PL21 9AE, was appointed Joint Liquidator of Paignton Glassworks Limited (the Company), together with my partner Giles Frampton on 11 February 2016. This progress report covers the period from 11 February 2016 to 10 February 2017 (the Period).
- 1.2 The principal trading address of the Company was 16 Marldon Road, Paignton, Devon TQ3 3QZ. The business traded under the name Paignton Glassworks.
- 1.3 The registered office of the Company has been changed to Richard J Smith & Co, 53 Fore Street, Ivybridge, Devon PL21 9AE and its registered number is 00749158.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2.2 At Appendix A, I have provided an account of my Receipts and Payments for the Period as compared to the directors' statement of affairs, which provides details of the remuneration charged and expenses incurred and paid by the Liquidators.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined to creditors in our initial fees estimate.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 2.5 As noted in my initial fees estimate, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 2.6 From the Receipts and Payments Account at Appendix A, you will note that realisations in the period amount to £205,195.05, the majority of which relates to the sale of the property, cash at bank, stock, trade debtors, vehicles, plant & machinery, intangible assets (such as the website domain name and telephone number) and refunds.

Sale of Property:

- 2.7 The Company owned its trade premises, which had been valued at £150,000 in the directors' statement of affairs. Barclays Bank had secured lending of £38,957 per the directors' statement of affairs. The property was immediately marketed for sale and our agents, Bettesworths, noted a significant amount of interest in the property. A sale was concluded on 28 April 2016 in the sum of £201,600, resulting in a net payment into the liquidation of £152,748.77 after costs and after the secured debt had been settled. The sale has led to a chargeable gain for Corporation Tax purposes, estimated at £15,000.

Cash at Bank:

- 2.8 The directors' statement of affairs recorded cash at bank estimated to realise £8,000, which represented monies held on Richard J Smith & Co's client account pending the appointment of liquidators. However, the actual amount realised was £4,873.64 due to two cheques

PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION

totalling £3,178.85 from trade debtors failing to clear but which was only notified to us after the statement of affairs had been prepared.

Vehicles, Plant & Machinery and Stock:

- 2.9 Lambert Smith Hampton, independent agents, valued these items at £855 (vehicles), £3,610 (plant & Machinery) and £600 (stock). These assets were sold for £5,300 in total to a single purchaser following Lambert Smith Hampton's recommendation but a payment of £1,100 was made in respect of a lease agreement to allow title to pass. The purchaser was not related to the company in any way.

Intangible Assets:

- 2.10 In addition to the tangible assets, significant interest was shown in the telephone number, website and trade name. A sale was completed in this respect for £9,700 to the same party that bought the vehicles, plant & machinery and stock, again following the recommendation of Lambert Smith Hampton.

Trade Debtors:

- 2.11 The statement of affairs showed outstanding trade debtors with a book value of £40,000 and an estimated to realise value of £35,000 at the date of liquidation. A total of £21,906.62 has been realised in this respect. Some debtors raised various disputes which have resulted in all or part of their debt being written off. Book debts totalling £5,220.70 listed as outstanding at the date of liquidation were subsequently proven to have been paid to the Company prior to liquidation. The liquidators instructed Nash & Co Solicitors to pursue certain debtors, which resulted in realisations of £3,035.11 at a cost of £500 plus VAT. The residual debts were passed to JP Associates to collect, resulting in further realisations of £977.93 at a cost of £97.79 plus VAT. A total sum of £14,379.92 has been written off. No further recoveries are expected to be made.

Creditors (Claims and Distributions)

- 2.12 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.13 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.14 The above work will not necessarily bring any financial benefit to creditors generally, however Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidators in dealing with those claims.

Investigations

- 2.15 Some of the work the Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.

PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION

- 2.16 I can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.17 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the s98 meeting or as a response to our request to complete an investigation questionnaire. Our investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

3 Creditors

Secured Creditors

- 3.1 Barclays Bank held a fixed charge over the Company's property at 16 Marlton Road, Paignton TQ3 3QZ. At the date of the liquidation, the indebtedness to the secured creditor was estimated at £38,957 and was subsequently agreed at £41,872.63. This was settled in full upon the sale of the property which completed on 28 April 2016.

Preferential Creditors

- 3.2 Preferential creditor claims amounting to £5,721.42 were paid in full on 7 November 2016.

Unsecured Creditors

- 3.3 We have received claims totalling £301,601.81 from 42 unsecured creditors. We have yet to receive claims from 12 unsecured creditors whose debts total £16,998.68 as per the Company's statement of affairs.
- 3.4 The Company granted a floating charge to Barclays Bank on 1 November 1977. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.

4 Notice of Intended Dividend

- 4.1 At present, we have funds of approximately £115,000 in hand, allowing for a £15,000 provision for Corporation Tax. It is our intention to pay a first dividend to non-preferential unsecured creditors and a Notice of Intended Dividend and a Proof of Debt form are set out at Appendix E for your attention for those who have still to register their claim.
- 4.2 If you have not already submitted a claim in the liquidation can you please complete and return the enclosed Statement of Claim form and return it to us before 19 April 2017, otherwise you will be excluded from any dividend payable after that date.
- 4.3 Alternatively, we should be obliged if you would inform us if you have no claim in the liquidation.

5 Liquidators' Remuneration

- 5.1 The Creditors approved that the basis of the Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the liquidation. Our fees estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time. The estimated time

PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION

costs provided to creditors was £53,185, and this acts as a cap on remuneration and remuneration cannot be exceeded this amount without further agreement from creditors.

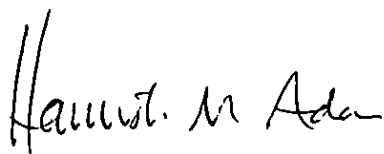
- 5.2 Our time costs for the Period are £39,534. This represents 322.4 hours at an average rate of £121.87 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by us in managing the liquidation. To date, £39,443 plus VAT has been drawn on account and disbursements and expenses of £10,410.16 have been paid from estate funds. Attached as Appendix C is an analysis of the disbursements and expenses incurred and paid to date.
- 5.3 At the date of this report, we would confirm that our fees estimate for the liquidation remains unchanged because we consider our estimate to be sufficient.
- 5.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.richardjsmith.com.
- 5.5 Attached as Appendix D is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final progress report ahead of convening the final meeting of creditors.

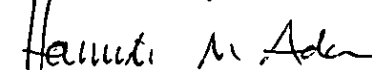


Hamish Adam
Joint Liquidator

**IN THE MATTER OF THE INSOLVENCY ACT 1986
AND IN THE MATTER OF
PAIGNTON GLASSWORKS LIMITED
SUMMARY OF THE LIQUIDATOR'S RECEIPTS AND PAYMENTS FOR
THE PERIOD FROM 11 FEBRUARY 2016 TO 10 FEBRUARY 2017**

		Reporting Year
		Realisations
		11/2/16 to 10/2/17
		£
Note:		
Receipts		
Assets Subject to Fixed Charge		
	Property - Marlton Road	150,000
	Less: Barclays Mortgage	(38,957)
	Less: Costs	
		111,043
1	Cash at Bank	8,000
	Stock	600
	Plant & Machinery	3,610
	Vehicles	855
	Trade Debtors	35,000
	Domain Name & Telephone Number	-
	Bank Interest	-
	Refunds	-
	VAT	-
		159,108
Payments		
	Pre Liquidation Remuneration	5,000.00
	Pre Liquidation Disbursements	37.11
	Liquidators Remuneration	39,443.00
	Liquidators Disbursements	577.80
	Liquidators Bond	792.00
	Statutory Advert	317.60
	Storage Costs	102.70
	Postal Redirection	160.00
	Hire of Meeting Room	151.67
	Travel/Subsistence	85.32
	Insurance	818.18
	Accountants Costs	875.00
	Solicitors Costs	500.00
	Agents Costs	6,904.89
	Agents Commissions	1,390.00
	Settlement of Vehicle Lease	1,100.00
	Security of Site	151.15
	Phone Line Rental	541.29
	Clear Site	492.95
	VAT	11,446.85
		70,887.51
Creditors		
	100p/£ to preferential creditors	5,721.42
Balance Held on Interest Bearing Account		
	Reserved for Storage/Destruction on closure	363.55
	Reserved for CGT	15,000.00
Current Account		114,322.57
		206,295.05

Dated this 29th day of March 2017


Hamish Millen Adam
Joint Liquidator

Note: 1. Difference due to bank returning cheque payments pre liquidation

PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION

Classification of work function	Hours					Total Hours	Time Costs	Average hourly rate
	Partner	Manager	Other Senior Professionals	Cashier	Assistants & Support Staff			
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Admin & Planning	1.20	7.60	52.90	0.30	17.50	79.50	8,683.50	109.23
Reporting & Meetings	0.00	3.00	11.90	2.00	2.00	18.90	2,178.50	115.26
Investigation	1.70	8.70	5.80	0.00	0.40	16.60	2,397.50	144.43
Forensic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets (Fixed)	2.30	28.60	11.30	0.00	0.00	42.20	6,146.00	145.64
Assets (Floating/Other)	1.40	11.40	5.30	0.00	0.00	18.10	2,664.50	147.21
Book Debts	0.30	9.40	39.30	0.10	5.50	54.60	6,369.00	116.65
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monitoring	0.00	2.20	4.40	0.00	0.00	6.60	836.00	126.67
Finance Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Preferential Creditors	0.00	0.00	2.40	0.00	0.00	2.40	276.00	115.00
HMRC/Crown Creditors	1.00	3.00	2.70	0.00	0.20	6.90	1,010.00	146.38
Unsecured Creditors	2.00	3.70	15.00	0.10	3.20	24.00	2,980.00	124.17
Employees & Pensions	0.30	5.50	12.80	1.80	0.00	20.40	2,567.50	125.86
Estate Cashiering	0.90	0.00	0.00	17.90	1.20	20.00	2,367.50	118.38
Other/General Typing	0.00	0.00	0.00	2.70	11.50	14.20	1,058.00	74.51
Total hours	11.10	83.10	163.80	24.90	41.50	324.40	39,534.00	121.87

Total fees claimed (£)	2,643.50	12,458.00	18,846.00	2,883.00	2,703.50	39,534.00
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Total: 39,534.00

Invoiced: 39,443.00

Un-Invoiced: 91.00

Summary of invoiced

	£		Hours		Time incurred in Year		Cumulative	
	£		Hours		£		£	
Invoiced Year 1	39,443.00		323.70		91.00	0.70		
Invoiced Year 2	0.00		0.00		0.00	0.00	0.00	0.00
Invoiced Year 3	0.00		0.00		0.00	0.00	0.00	0.00
Invoiced Year 4	0.00		0.00		0.00	0.00	0.00	0.00
Invoiced Year 5	0.00		0.00		0.00	0.00	0.00	0.00
Invoiced Year 6	0.00		0.00		0.00	0.00	0.00	0.00

PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION**Liquidators' Expenses & Disbursements**

	Paid in prior Period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Expenses & Disbursements				
Category 1				
Agents Costs		6,904.89		6,904.89
Solicitors Costs		500.00		500.00
Insurance		818.18		818.18
Statutory Advertising		317.60		317.60
Bond		792.00		792.00
External Storage of books & records		102.70		102.70
Hire of Meeting Room		151.67		151.67
Re-direction of Post		160.00		160.00
Case related Travel/Subsistence				-
IVA/CVA Registration				-
Postage 1	-	91.46	-	91.46
Postage 2	-	128.33	-	128.33
Searches	-	22.00	-	22.00
Parking & Toll	-	-	-	-
Sundry Disbursements	-	143.98	-	143.98
Total:	-	10,132.81	-	10,132.81

Category 2				-
Faxes IN/OUT	-	-	-	-
Photocopying	-	11.61	-	11.61
Business Mileage	-	104.04	-	104.04
Stationery	-	161.70	-	161.70
Total:	-	277.35	-	277.35

Category 1 & Cat 2 Total:

-	10,410.16	-	10,410.16
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PAIGNTON GLASSWORKS LIMITED - IN LIQUIDATION**Additional Information in Relation to the Liquidators' Fees, Expenses & Disbursements****1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

- 1.3 On this case, we are proposing to use the services of the following sub-contractors:

Service (s)	Provider	Basis of fee arrangement	Cost to date
Book debt collection	JP Associates	10% of realisations	£132.79

2 Professional Advisors

- 2.1 On this assignment, we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Nash & Co Solicitors (legal advice: sale of property / book debts)	Hourly rate and disbursements
AUA Insolvency Risk Services (insurance)	Fixed fee
Bettesworths (sale of property)	Commission and disbursements
Lambert Smith Hampton (valuation and disposal advice)	Commission and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Liquidators' Expenses & Disbursements

The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of our fees was approved.

Current position of Liquidators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided at Appendix C.
- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in Appendix C.
- 3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are included in Appendix C.

4 Charge-Out Rates

- 4.1 Richard J Smith & Co's charge-out rates effective from 1 January 2017 are also attached with this report. Please note this firm records its time in minimum units of 6 minutes.

**CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY
PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9**

1 CHARGE-OUT RATES

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 January 2017 are as follows:

Staff	(per hour) £
Senior Partner	300
Partner	250
Manager	175
Assistant Manager	150
Administrators	130
Secretarial support	80

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Richard J Smith & Co and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by Richard J Smith & Co and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The firm currently charges the following Category 2 disbursements:

Recharge	£
Stationery – per letter	0.53
Photocopying – per sheet	0.03
Fax - in	0.05
Fax - out	0.37
Mileage – per mile @ HMRC rate	0.45

All costs are subject to VAT, where applicable and reflect the actual cost of the materials or services utilised. All rates are subject to half-yearly review.