

# Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the  
Insolvency Act 1986

## S.192

To the Registrar of Companies

Company Number

01586118

Name of Company

(a) Insert full  
name of company

(a) A B DUST CONTROL LIMITED

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

I / We (b) P D Masters and A Poxon

of Leonard Curtis, Bamfords Trust House, 85-89 Colmore Row, Birmingham B3 2BB

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 January 2013 to 10 January 2014

Signed



Date 18 February 2014

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

Leonard Curtis,  
Bamfords Trust House,  
85-89 Colmore Row,  
Birmingham  
B3 2BB  
Ref B/24/JKS/SA534C/115

WEDNESDAY



A37 19/02/2014 #153  
COMPANIES HOUSE



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**A.B. DUST CONTROL LIMITED**  
**(In Creditors' Voluntary Liquidation)**

Registered Number: 01586118

**Joint Liquidators' annual progress report**  
**prepared in accordance with s104A of the Insolvency Act 1986**  
**and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

**17 February 2014**

Leonard Curtis  
Bamfords Trust House, 85-89 Colmore Row,  
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Ref B/24/JKS/SA534C/1010

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TO ALL MEMBERS  
ALL CREDITORS  
ALL DIRECTORS  
THE REGISTRAR OF COMPANIES

## 1 INTRODUCTION

1.1 My colleague, A Poxon, and I were appointed as Joint Liquidators of A B Dust Control Limited ("the Company") at meetings of members and creditors held on 11 January 2012. Both A Poxon and I are licensed in the UK by the Institute of Chartered Accountants in England and Wales. I can confirm that there has been no change in office-holder since the date of liquidation.

1.2 This report has been prepared in accordance with the requirements of Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986 (as amended) to provide members and creditors with a report on the progress of the liquidation and should be read in conjunction with the Joint Liquidators' report dated 6 March 2013.

1.3 Much of the information contained in this report encompasses the whole period of the liquidation. Please be aware, however, that where reference is made to "the period of this report", this specifically means 11 January 2013 to 10 January 2014, being the period of twelve months which ended on the most recent anniversary of the Joint Liquidators' appointment.

## 2 CONDUCT OF THE LIQUIDATION

2.1 The Company's registered office was changed from Unit 6, Morston Court, Kingswood Lakeside, Cannock, Staffordshire WS11 8JB to Bamfords Trust House, 85-89 Colmore Row, Birmingham B3 2BB on 23 December 2011. The Company's registered number is 01586118.

### Book debts

2.2 The directors' statement of affairs as at 11 January 2012 showed that the Company's book debts were its principal asset, with an estimated realisable value of £226,342.

2.3 Following their appointment, the Joint Liquidators instructed debt recovery solicitors from Lanyon Bowdler LLP ("LBL") to assist with the collection of the debts owed to the Company, and commence any legal action that may be appropriate.

2.4 As previously reported to creditors, initial attempts at collection were disappointing, with a number of debts proving to be old and irrecoverable. Additionally, a large number of debtors submitted significant counterclaims as a result of the Company ceasing to trade and it emerged that others had paid prior to the appointment of the Joint Liquidators.

2.5 As at the date of the Joint Liquidators' previous report, a total of £40,436 had been collected in respect of book debts and it was reported that owing to the difficulties experienced, significant write-offs had been made to the debtor ledger and only one recoverable debt remained outstanding.

2.6 This debt remains the only recoverable book debt owing to the Company and relates to payments due from a French company under the terms of a Voluntary Arrangement ("VA").

- 2 7 During the period of this report, one further payment of €15,360 has been received from the Supervisor of the VA, resulting in a realisation of £12,279.99. According to the VA's terms, two further payments will fall due in July 2014 and July 2015. Other than these amounts, no further debtor recoveries are anticipated.

**Amounts due from HM Revenue and Customs ("HMRC")**

- 2 8 The Directors' statement of affairs also showed that a VAT reclaim of approximately £20,000 was due to the Company as at the date of the Joint Liquidators' appointment.
- 2 9 As previously reported, shortly after the Joint Liquidators' appointment, accountants from Baldwins Stourbridge Limited ("Baldwins") were instructed to review the Company's tax records and submit the necessary documentation to HMRC in order to claim any amounts due to the Company.
- 2 10 Baldwins identified that the amount totalling £25,171 was due to the Company and, additionally, that a refund of £6,225 was available by way of a claim for Terminal Loss Relief pertaining to Corporation Tax paid by the Company.
- 2 11 The amounts due from HMRC were, however, subject to crown set-off in respect of certain amounts due in respect of PAYE and National Insurance and during the period of my prior report, a payment of £20,136 was received from HMRC in relation to the VAT owed to the Company, along with £4,398 pertaining to the Terminal Loss Relief claim.
- 2 12 During the period of this report, the Joint Liquidators identified that, as a result of the bad debts which have been written-off in the matter, the Company may be entitled to VAT bad debt relief, being a refund of the VAT element of debts which have proved to be irrecoverable, in respect of which the VAT had been paid to HMRC. This relief was only available in respect of unrecovered debts relating to UK-based entities, since invoices submitted overseas were not chargeable to VAT.
- 2 13 A claim for £4,585.21 was submitted to HMRC on 23 October 2013, which was confirmed as having been accepted by HMRC on 23 December 2013. The Joint Liquidators are currently awaiting payment of this amount.

**Action against the directors**

- 2 14 As previously reported, the Joint Liquidators' investigations into the conduct of the directors in the period leading up to the liquidation identified certain recovery actions which may be available to them.
- 2 15 The Joint Liquidators have been in regular contact with members of the Liquidation Committee in this regard and it was previously reported that a detailed letter had been sent by LBL to the directors detailing the claims which the Joint Liquidators were seeking to make and the evidence in support of the same.
- 2 16 A significant amount of time has been spent during the period of this report in liaising with LBL and with the legal advisors instructed by the directors, who have provided a substantive response, which denies that there is any culpability on the part of the directors in this matter.
- 2 17 The Joint Liquidators have, with the assistance of their solicitors, responded to the directors' solicitors in detail, and provided a significant amount of further information in support of the claims against the directors. Additionally, a request has been made for further information in respect of a number of issues raised by the directors.
- 2 18 As at the date of this report, the Joint Liquidators are continuing to liaise with the directors' solicitors.

2 19 Should the Joint Liquidators be unable to reach a settlement in this matter, it is likely that litigation will be necessary. If litigation is necessary, the appropriate sanction will be requested from the Liquidation Committee, prior to its commencement.

2 20 Currently, it is not possible to accurately predict the likely outcome or timeframe for the resolution of this action. Creditors will be updated in due course.

#### **Monies Received in Error**

2 21 It was previously reported that the Joint Liquidators received a payment of £30,737, in error, from National Westminster Bank Plc ("NatWest"), which the Joint Liquidators were obliged to return to Mr and Mrs Bennett. This is shown in the attached schedule of receipts and payments and was repaid prior to the period of this report.

#### **Sale of Company Assets**

2 22 As previously reported, certain computer equipment owned by the Company, along with some of its working files, were sold to Mr D Bennett for the sum of £250 + VAT; however, no payment had been received in this regard.

2 23 As anticipated, no payment was made by Mr Bennett during the period of this report in respect of this sale. Due to the quantum of sale consideration, the Joint Liquidators do not consider it commercially viable to pursue this matter further in isolation. Consequently, any realisation in this regard will be dealt with in conjunction with any realisation arising from the action against the directors outlined above.

#### **Sundry Receipt**

2 24 In addition to the above, a receipt of £29.58 has been received from BT Group Plc, in respect of a credit on the Company's account with it.

### **3 RECEIPTS AND PAYMENTS ACCOUNT**

3 1 Attached at Appendix A is a summary of the Joint Liquidators' receipts and payments for the whole of the liquidation period to date, including details of all receipts and payments for the period of this report.

### **4 OUTCOME FOR CREDITORS**

#### **Secured Creditors**

4 1 NatWest holds fixed and floating charges over the Company's assets and the directors' statement of affairs showed that, on the date of the Joint Liquidators' appointment, £65,168 was owed to NatWest.

4 2 The Company's indebtedness to NatWest was supported by way of a personal guarantee from Allen and Gillian Bennett.

4 3 The Joint Liquidators have received confirmation from NatWest that the Company's indebtedness to them has been paid, in full, by Mr and Mrs Bennett. NatWest has also advised the Joint Liquidators that it has conferred its right as a floating chargeholder, to Mr and Mrs Bennett.

4 4 In light of the above, Mr and Mrs A Bennett have submitted a subrogated secured claim for £65,168 in respect of the payment made to NatWest under the terms of their personal guarantees.

- 4 5 On current information, and based on the outstanding costs of the liquidation, it does not appear likely that there will be any funds available to pay a distribution under the terms of Mr and Mrs Bennett's security. In the event that the recovery action outlined above is successful, the proceeds of the recovery would not be subject to Mr and Mrs Bennett's subrogated security.

**Preferential Creditors**

- 4 6 Prior to its liquidation, the Company had four employees who were entitled to submit claims to the Redundancy Payments Office, ("RPO") a government department, in respect of unpaid wages (up to certain limits) and holiday pay. Such claims hold preferential status.
- 4 7 The RPO is entitled to submit a subrogated claim in the liquidation for payments made in this regard and, accordingly, a preferential claim of £2,879 has been received. This claim has yet to be formally agreed and, to date, no preferential dividend has been declared.
- 4 8 The outcome for preferential creditors is dependent on the outcome of the recovery action outlined above. At present, there are insufficient funds to pay a dividend to preferential creditors.
- 4 9 The remainder of employees' claims for notice pay, redundancy pay and any expenses, form part of the unsecured claims outlined below.

**Prescribed Part**

- 4 10 The charges in favour of NatWest outlined above were created on 9 August 1988, prior to the implementation of the Enterprise Act 2002. Consequently, the prescribed part rules of s 176A of the Insolvency Act 1986 do not apply to this security.

**Unsecured Creditors**

- 4 11 To date, the Joint Liquidators have received claims totalling £736,860 from non-preferential unsecured creditors. These claims have been acknowledged where requested.
- 4 12 Creditors' claims will only be formally agreed if and when the Joint Liquidators are in a position to make a distribution to unsecured creditors. The outcome for unsecured creditors is dependant on the recovery action outlined above and will be subject to the prior payment of preferential unsecured claims.

**5 INVESTIGATIONS**

- 5 1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors and the Liquidation Committee, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5 2 Those investigations have indicated that a recovery action is appropriate, as outlined above, which is on-going.
- 5 3 In addition to the above, the Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority. The content of this report is confidential.

**6 JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS AND CREDITORS' RIGHTS****Remuneration**

6 1 At a meeting of the Liquidation Committee held on 11 January 2012 it was resolved that the Joint Liquidators' remuneration be payable by reference to time properly given by the Joint Liquidators and their staff in attending to matters arising in the liquidation

6 2 The Joint Liquidators' time costs are summarised below

	Hours No.	Rate / hr £	Total value of time £
Time previously reported	270 4	274 94	74,353 00
Time incurred in the period of this report	132 8	250 91	33,321 50
<b>Total Joint Liquidators' time costs</b>	<b>403 2</b>	<b>267 05</b>	<b>107,674 50</b>

6 3 The time charged by the Joint Liquidators and their staff for the period from 11 January 2013 to 10 January 2014 amounts to £33,321 50. This represents 132 8 hours at an average rate of £250 91 per hour. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during this period, along with a brief narrative of the time incurred by category.

6 4 To date, remuneration of £8,500 has been drawn in respect of the Joint Liquidators' cumulative time costs.

6 5 In addition to the above, the Liquidation Committee resolved that a fee of £3,500 plus VAT and disbursements be paid to Leonard Curtis in respect of their costs in assisting the director in preparing the statement of affairs and report for that meeting.

6 6 This fee was drawn, in full, on 10 October 2012.

**Category 2 disbursements**

6 7 The Committee has also approved the basis upon which the Joint Liquidators recharge internal disbursements that include an element of allocated costs. These are known as Category 2 costs and the basis of the calculation of their recharge is also detailed at Appendix D.

6 8 The Category 2 disbursements which have been incurred by the Joint Liquidators are outlined in the below table, which also shows whether the funds have yet been drawn from the case account.

Nature of expense	By whom provided	Amount previously reported £	Amount incurred this period £	Amount written-off £	Amount outstanding £
Mileage	Leonard Curtis Employees	85 81	35 70	45 21	80 50
<b>Total</b>		<b>85.81</b>	<b>35 70</b>	<b>45 21</b>	<b>80 50</b>

6 9 The Joint Liquidators do not consider it appropriate to draw mileage costs in this matter and, accordingly, the amount shown as outstanding will also be written-off.

6 10 The Category 1 disbursements which have been incurred by the Joint Liquidators, and do not include an element of allocated cost, are outlined in the below table, which also shows whether the funds have yet been drawn from the case account.



Nature of expense	By whom provided	Amount previously reported £	Amount incurred £	Amount reimbursed £	Amount outstanding £
Bordereau fee	AUA Insolvency Risk Services	260 00	-	260 00	-
Client ID checks	Business Tax Centre Limited	25 00	-	25 00	-
Mail redirection	Royal Mail Group Limited	27 20	-	27 20	-
Travel expenses	Various	38 00	11 90	49 90	-
Statutory advertising	Courts Advertising Limited	229 50	-	229 50	-
Companies searches	Registrar of Companies	16 00	-	16 00	-
Document collection/storage	Auctus Limited	137 74	60 56	198 30	28 14
<b>Total</b>		<b>733 44</b>	<b>72.46</b>	<b>805 90</b>	<b>28 14</b>

### Other expenses

- 6 11 The Joint Liquidators have also incurred other expenses since the date of their appointment. These expenses are detailed in the table below, which also indicates whether they have yet been paid from case funds

Nature of expense	By whom provided	Amount previously reported £	Amount incurred this period £	Amount reimbursed £	Amount outstanding £
Legal advice	Lanyon Bowdler LLP	4,203 90	9,750 80	13,954 70	-
Debt recovery assistance	Lanyon Bowdler LLP	2,522 38	1,272 99	3,795 37	-
Accountants fees	Baldwins	6,000 00	-	6,000 00	-
Online document hosting	Creditor Gateway Limited	5 00	11 00	16 00	-
Software licence fee	Pelstar Computing Limited	75 00	-	75 00	-
Agents' fees and expenses	MGR Appraisals Limited	500 00	-	500 00	-
Liquidation Committee travel	Committee members	162 00	93 10	255 10	-
Pension advice	Alexander Forbes Trustee Services	-	220 65	220 65	-
<b>Total</b>		<b>13,468 28</b>	<b>11,348 54</b>	<b>24,816 82</b>	<b>-</b>

- 6 12 Attached at Appendix C is additional information in relation to Leonard Curtis' policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade. During the liquidation the following professional advisors have been used

Name of Professional Advisor	Service Provided	Basis of Fees
Lanyon Bowdler LLP	Legal advice	Time costs
Lanyon Bowdler LLP	Debt collection	10% of recoveries
Baldwins Stourbridge Limited	Specialist accountancy advice	Capped time costs
MGR Appraisals Limited	Asset valuation and sale advice	Capped time costs
Alexander Forbes Trustee Services	Pension review and report	Time Costs

### Creditors' Rights

- 6 13 Any secured creditor, unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 21 days of the receipt of this report make a request in writing to the Joint Liquidators for further information about the remuneration or expenses incurred in the period of this report


- 6 14 In addition to the above, any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 8 weeks of receipt of this report make an application to Court on the grounds that the basis fixed for the Joint Liquidators' remuneration is inappropriate, or the remuneration charged or the expenses incurred by the Joint Liquidators in the period of this report are excessive

## **7 NEXT REPORT**

- 7 1 The Joint Liquidators are required to provide a progress report within two months of the end of the next anniversary of the liquidation or earlier if the liquidation has been finalised

If you require further information in the meantime please contact my office **in writing** Electronic communications should include a full postal address

Yours faithfully  
for and on behalf of  
**A.B. DUST CONTROL LIMITED**



**P D MASTERS**  
Joint Liquidator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

## APPENDIX A

**ACCOUNT OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FOR THE PERIODS  
FROM 11 JANUARY 2012 TO 10 JANUARY 2013, 11 JANUARY 2013 TO 10 JANUARY 2014  
AND CUMULATIVE TOTAL**

	Estimated to Realise	11/01/12- 10/01/13	11/01/13- 10/01/14	Total
	£	£	£	£
<b>RECEIPTS</b>				
Debtors	226,342 00	40,436 00	12,729 99	53,165 99
Monies received in error	-	30,737 82	-	30,737 82
Pre-appointment VAT refund	20,082 00	20,136 37	-	20,136 37
Terminal loss relief	-	4,398 38	-	4,398 38
Sundry BT refund	-	29 58	-	29 58
	<u>246,424 00</u>	<u>95,738 15</u>	<u>12,729 99</u>	<u>108,468 14</u>
<b>PAYMENTS</b>				
Agents' fees and expenses		(500 00)	-	(500 00)
Liquidation Committee expenses		(162 00)	(93 10)	(255 10)
Software licence fee		(75 00)	-	(75 00)
Costs of creditors' meeting		(3,500 00)	-	(3,500 00)
Joint Liquidators' remuneration		(8,500 00)	-	(8,500 00)
Legal fees		(4,203 90)	(9,750 80)	(13,954 70)
Accountants' fees		(6,000 00)	-	(6,000 00)
Pension review costs		-	(220 65)	(220 65)
Debt collection expenses		(2,522 38)	(1,272 99)	(3,795 37)
Refund of monies received in error		(30,737 82)	-	(30,737 82)
Document hosting fee		(5 00)	-	(5 00)
Joint Liquidators' disbursements		(611 06)	(161 06)	(772 12)
		<u>(56,817 16)</u>	<u>(11,498 60)</u>	<u>(68,315 76)</u>
<b>Net in/out flow</b>		<b>38,920 99</b>	<b>1,231 39</b>	
<b>Balance brought forward</b>		<b>-</b>	<b>38,920 99</b>	
<b>Balance carried forward</b>		<b><u>38,920 99</u></b>	<b><u>40,152 38</u></b>	

The above payments are shown net of VAT. The funds in hand are currently held in a non interest-bearing account.

## APPENDIX B

**SUMMARY OF LIQUIDATORS' TIME COSTS FOR THE PERIOD  
FROM 11 JANUARY 2013 TO 10 JANUARY 2014**

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 3		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	-	-	17	684 50	-	-	-	-	7	161 00	-	-	15	202 50	39	1,048 00	268 72
Receipts & Payments	-	-	2	77 00	-	-	9	260 00	13	299 00	-	-	48	655 50	72	1,291 50	179 38
Insurance	-	-	-	-	-	-	-	-	11	253 00	-	-	2	27 00	13	280 00	215 38
Assets	89	3,782 50	3	115 50	-	-	121	3,448 50	130	2,990 00	-	-	84	1,134 00	427	11,470 50	268 63
Liabilities	56	2,380 00	28	1,078 00	-	-	-	-	19	437 00	-	-	22	297 00	125	4,192 00	335 36
General Administration	-	-	-	-	-	-	2	57 00	-	-	2	38 00	63	850 50	67	945 50	141 12
Planning & Strategy	-	-	-	-	-	-	6	171 00	20	460 00	-	-	55	742 50	81	1,373 50	169 57
Post Appointment Credits Mtngs	-	-	6	231 00	-	-	-	-	82	1,886 00	-	-	-	-	88	2,117 00	240 57
Creds Committee Meetings	50	2,125 00	-	-	30	990 00	29	826 50	265	6,095 00	-	-	13	175 50	387	10,212 00	263 88
Investigations	-	-	-	-	-	-	-	-	-	-	-	-	29	391 50	29	391 50	135 00
<b>Total</b>	<b>195</b>	<b>8,287 50</b>	<b>56</b>	<b>2,186 00</b>	<b>30</b>	<b>990 00</b>	<b>167</b>	<b>4,763 00</b>	<b>547</b>	<b>12,581 00</b>	<b>2</b>	<b>38 00</b>	<b>331</b>	<b>4,476 00</b>	<b>1,328</b>	<b>33,321 50</b>	

Average Hourly Rate (£)

425 00	390 36	330 00	285 21	230 00	190 00	135 23	250 91
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All Units are 6 minutes

## APPENDIX C

SUMMARY OF LIQUIDATORS' TIME COSTS FOR THE PERIOD  
FROM 11 JANUARY 2012 TO 10 JANUARY 2014

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 2		Administrator 3		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	31	1,317.50	23	915.50	-	-	2	57.00	74	1,702.00	2	42.00	18	342.00	40	540.00	190	4,916.00	258.74
Receipts & Payments	-	-	15	577.50	-	-	9	260.00	76	1,748.00	1	21.00	26	494.00	101	1,371.00	228	4,471.50	196.12
Insurance	-	-	9	346.50	-	-	-	-	15	345.00	-	-	6	114.00	2	27.00	32	832.50	260.16
Assets	174	7,395.00	309	11,896.50	-	-	121	3,448.50	348	8,004.00	37	777.00	167	3,173.00	86	1,161.00	1,242	35,855.00	288.69
Liabilities	68	2,890.00	104	4,004.00	-	-	-	-	76	1,748.00	9	189.00	177	3,363.00	39	526.50	473	12,720.50	268.93
Landlords	-	-	7	269.50	-	-	-	-	-	-	-	-	11	209.00	-	-	18	478.50	265.83
Debtenture Holder	-	-	-	-	-	-	-	-	22	506.00	-	-	4	76.00	-	-	26	582.00	223.85
General Administration	25	1,062.50	25	962.50	-	-	2	57.00	15	345.00	-	-	63	1,197.00	65	877.50	195	4,501.50	230.85
Appointment	-	-	46	1,771.00	-	-	-	-	-	-	-	-	37	703.00	-	-	83	2,474.00	298.07
Planning & Strategy	-	-	25	962.50	-	-	6	171.00	22	506.00	11	231.00	4	76.00	55	742.50	123	2,689.00	218.62
Post Appointment Credits Mtngs	18	765.00	6	231.00	-	-	-	-	82	1,886.00	-	-	44	838.00	-	-	150	3,718.00	247.87
Credits Committee Meetings	102	4,335.00	175	6,737.50	30	990.00	29	826.50	353	8,119.00	28	588.00	219	4,161.00	13	175.50	949	25,932.50	273.26
Investigations	-	-	108	4,158.00	-	-	-	-	102	2,346.00	6	126.00	78	1,482.00	29	391.50	323	8,503.50	263.27
<b>Total</b>	<b>418</b>	<b>17,765.00</b>	<b>852</b>	<b>32,832.00</b>	<b>30</b>	<b>990.00</b>	<b>169</b>	<b>4,820.00</b>	<b>1,185</b>	<b>27,255.00</b>	<b>94</b>	<b>1,974.00</b>	<b>854</b>	<b>16,228.00</b>	<b>430</b>	<b>5,812.50</b>	<b>4,032</b>	<b>107,674.50</b>	
Average Hourly Rate (£)		<u>425.00</u>		<u>385.35</u>		<u>330.00</u>		<u>285.21</u>		<u>230.00</u>		<u>210.00</u>		<u>190.00</u>		<u>135.17</u>		<u>267.05</u>	

All Units are 6 minutes

## NARRATIVE OF TIME COSTS INCURRED TO DATE

- Statutory and Review

These costs relate to the maintenance of the Joint Liquidators' files and reviewing them to ensure compliance with all relevant legislation and best practice as well as preparing the Joint Liquidators' report to the Department of Business, Innovation and Skills

- Receipts and Payments

Time charged in this regard relates to time spent maintain the Joint Liquidators' bank account, making payments and receiving funds, dealing with taxation matters and ensuring the all amounts are coded correctly

- Insurance

Time charged in this regard relates to reviewing the appropriateness of insurance in place over the Company's assets, as well as arranging and cancelling policies, and liaising with the Company's previous insurers. Time spent dealing with the Company's pension scheme is also charged under this heading, along with time spent reviewing the level of the Joint Liquidators' security bond

- Assets

Time charged in this regard relates to time spent getting in the Company's assets, including its debtors. The Joint Liquidators have previously held meetings with LBL and with the Company's former accountants, Baldwins, in order to appropriately assess the information available in order to support the recovery actions outlined in the main body of the report. All time spent dealing with the potential recovery action is charged to this code and, during the period of this report, significant time has been expended liaising with LBL reviewing the voluminous correspondence in the matter and discussing the appropriate strategy for progressing the matter

- Liabilities

This includes general correspondence with creditors. A number of the Company's creditors are overseas and significant time was spent ensuring that all notifications in this regard were completed correctly. This time also includes the lodging and acknowledgement of creditors' claims and answering creditors' queries, along with the queries of former employees and subcontractors

- Landlords

Time incurred in this regard relates to dealing with the Company's landlord and ensuring that the Company's leasehold property was disclaimed correctly

- Debenture Holder

Time charged under this heading relates to correspondence with the Company's secured creditor, NatWest, and with Allen and Gillian Bennett, in relation to their subrogated secured claim

- General Administration

Time charged in this regard relates to dealing with the Company's books and records, and correspondence with the Company's directors, which is not in connection with a secured claim. General correspondence which does not fit under any other heading may also be charged to this code.

- Appointment

Time charged under this heading relates to dealing with the formalities of the Joint Liquidators' appointment, along with ensuring that the necessary parties are notified and dealing with the necessary statutory advertising.

- Planning & Strategy

Time spent in this regard relates to both the Joint Liquidators' discussions regarding the strategy of the liquidation and liaising with their professional advisors in order to ensure that the liquidation is being progressed efficiently. In particular, during the period of this report, this has predominantly related to correspondence with LBL regarding the claim against the directors.

- Post appointment Creditors' Meetings

Time spent in this regard relates to the drafting and sending the necessary statutory reports to creditors, as well as time spent attending the initial meeting of creditors.

- Creditor Committee Meetings

Time charged in this regard relates to the drafting and preparation of reports to the Liquidation Committee, correspondence with committee members and the attendance of meetings of the Committee. Significant time has been expended during the period of this report in holding a meeting of the Committee and providing detailed responses to queries raised by members of the Committee.

- Investigations

The time charged in this regard relates to time spent reviewing the Company's books and records and investigating the circumstances leading up to the Company's insolvency. Time in this regard also relates to time spent assessing the appropriateness of the recovery action and its quantum.

## APPENDIX D

### LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

#### Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates have been applied in the case, and apply to all assignments undertaken by Leonard Curtis

With effect from 6 Jan 2014	Standard £	Complex £	1 Jan 2012 to 5 Jan 2014	Standard £	Complex £
Director	450	562	Director	425	531
Senior Manager	410	512	Senior Manager	385	481
Manager 1	365	456	Manager 1	330	412
Manager 2	320	400	Manager 2	285	356
Administrator 1	260	325	Administrator 1	230	287
Administrator 2	230	287	Administrator 2	210	262
Administrator 3	210	262	Administrator 3	190	237
Administrator 4	150	187	Administrator 4	135	168
Support	0	0	Support	0	0

#### Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

#### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

#### Disbursements

- Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.



## PROOF OF DEBT – GENERAL FORM

A.B. DUST CONTROL LIMITED		
Date of Winding-Up Order/Resolution for voluntary winding-up 11 January 2012		
1	Name of Creditor (if a company please also give company registration number )	
2	Address of creditor for correspondence (Please include email address)	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation	£
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting )	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form )	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	
	Address of person signing (if different from 2 above)	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Liquidator		Liquidator