

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

01682326

Name of Company

Alchrist Engineering Limited

I / We

Lloyd Biscoe
The Old Exchange
234 Southchurch Road
Southend on Sea
SS1 2EG

Wayne Macpherson
The Old Exchange
234 Southchurch Road
Southend on Sea
Essex
SS1 2EG

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 02/08/2012 to 01/08/2013

Signed

Date

27/9/13

Begbies Traynor (Central) LLP
The Old Exchange
234 Southchurch Road
Southend on Sea
SS1 2EG

Ref AL190CVL/LCB/WM/DTC/DCF/ZLB

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COMPANIES HOUSE

Alchrist Engineering Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 02/08/2012 To 01/08/2013	From 02/08/2011 To 01/08/2013
	SECURED ASSETS		
55,179 00	Book Debts	NIL	38,485 57
		NIL	38,485 57
	SECURED CREDITORS		
4,929 00	RBS Invoice Finance	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
3,600 00	Book Debt From Sale of WIP	NIL	3,600 00
43,200 00	Book Debt From Sale of Assets	36,000 00	49,420 00
	Book Debts	NIL	1,268 70
Uncertain	Director's Loan Account	NIL	NIL
942 00	Rates Refund	NIL	942 38
	Cash at Bank	NIL	3,865 03
	Bank Interest Gross	18 09	18 09
	Bank Interest Net of Tax	NIL	5 84
		36,018 09	59,120 04
	COST OF REALISATIONS		
	Office Holders Fees	12,047 50	12,047 50
	Office Holders Expenses	131 00	554 45
	Agents/Valuers Fees (1)	8,800 00	14,650 00
	Storage Costs	237 60	452 80
	Bank Charges	42 48	62 26
		(21,258 58)	(27,767 01)
	UNSECURED CREDITORS		
(121,146 00)	Trade Creditors	771 15	771 15
(139,320 00)	Agreed CVA Creditors (less.dividends)	NIL	NIL
(58,428 00)	CVA Creditors Yet To Prove	NIL	NIL
(39,319 00)	HM Revenue and Customs (VAT)	1,730 78	1,730 78
(145,022 00)	HM Revenue and Customs (PAYE)	3,402 50	3,402 50
	Redundancy Payments Services (NIC)	95 57	95 57
		(6,000 00)	(6,000 00)
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(395,485.00)		8,759.51	63,838.60
	REPRESENTED BY		
	Vat Receivable		11 88
	Bank 1 Current		352 79
	Bank 1 Deposit		63,473 93
			63,838.60

Lloyd Biscoe
Joint Liquidator



Alchrist Engineering Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period: 02/08/2012 to 01/08/2013

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Alchrst Engineering Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 2 August 2011
"the liquidators", "we", "our" and "us"	Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Wayne Macpherson of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	N/A
Company registered number	01682326
Company registered office	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address	Unit 10-11 Heronsgate Trading Estate, Paycocke Road, Basildon, SS14 3EU

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	02 August 2011
Date of liquidators' appointment	2 August 2011
Changes in liquidator (if any)	None

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 02/08/2012 to 01/08/2013

SECURED ASSETS

Book Debts / RBS Invoice Finance

The Company operates an Invoice Factoring Agreement with RBS Invoice Finance Limited ("RBSIF") As at the date of Liquidation, RBSIF held a book debt ledger of £61,310 48 from which the Director estimated the sum of £55,179 would be realisable (this figure was generated by applying a 10% provision for bad debts) I can advise that to date the sum of £38,485 57 has been received

In addition, RBSIF held credit funds of £4,929 which took into consideration all outstanding invoices and termination charges

ASSET REALISATIONS

Book Debt from Sale of Work In Progress ("WIP")

The Company's WIP as at the cessation of trade was sold to Assured Engineering Limited for the consideration of £3,000 plus VAT The sale was completed on 01 July 2011 following a professional valuation by ITC (South East) Limited I can advise that this has been received in full

Book Debt from Sale of Assets

The Company's chattel assets were sold to Assured Engineering Limited for the consideration of £43,200 plus VAT The sale was completed on 01 July 2011 following a professional valuation by ITC

(South East) Limited I can advise that the sum of £49,420 has been received to date and no further realisations are expected

Director's Loan Account

The Company's accounts for the year ended 28 March 2010 reflected an overdrawn Directors' Loan Account totalling £8,120 which is apportioned equally between two Directors

Rates Refund

The sum of £942 38 has been received from Basildon Council by way of a rates refund

Bank Interest Gross/Bank Interest Net of Tax

I can advise that the sum of £23 93 has been realised in respect of bank interest

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators'

On the basis of realisations to date we estimate an outcome for each class of the Company's creditors as follows

Secured creditor

It is anticipated that the secured creditor will be paid in full

Preferential creditors

There are no known preferential claims

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

A dividend of 1 99 pence in the £1 has been paid to the unsecured creditors

Notice of Declaration of Dividend

We are now able to declare a second and final of the Company's property Enclosed with this report is formal notice of the dividend

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 02/08/2012 to 01/08/2013 amount to £16,789 50 which represents 63 00 hours at an average rate of £266 50 per hour

Our time costs for the period from 02/08/2011 to 01/08/2013 amount to £25,154 which represents 93 50 hours at an average rate of £269 03 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Table of time spent and charge-out value for the period 02/08/2012 to 01/08/2013
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 01/08/2013, we have drawn the total sum of £12,047 50 plus disbursements of £554 45 on account

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements] that have been taken in accordance with the approval obtained are provided in this report

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

Agents/Valuers Fees

I can advise that the sum of £14,650 has been paid to ITC (South East) for their assistance with the valuation and sale of the Company's assets

Storage Costs

I can advise that the sum of £452 80 has been paid to Archive Facilities (Southend) Limited for the storage of the Company's books and records Archive Facilities (Southend) Limited are associated to partners of Begbies Traynor (Central) LLP and therefore deemed as a category 2 disbursement which requires creditor approval I can advise that approval was obtained at the initial meetings of members and creditors

8. ASSETS THAT REMAIN TO BE REALISED

There are no further asset realisations to be made and the only outstanding matters are the final dividend to unsecured creditors and closing procedures

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.


Lloyd Biscoe
Joint Liquidator
Dated 27 September 2013

ACCOUNT OF RECEIPTS AND PAYMENTS

Period. 02/08/2012 to 01/08/2013

Alchrist Engineering Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 02/08/2012 To 01/08/2013	From 02/08/2011 To 01/08/2013
55,179 00	SECURED ASSETS Book Debts	<u>NIL</u> NIL	<u>38,485 57</u> 38,485 57
4,929 00	SECURED CREDITORS RBS Invoice Finance	<u>NIL</u> NIL	<u>NIL</u> NIL
3,600 00	ASSET REALISATIONS Book Debt From Sale of WIP	NIL	3,600 00
43,200 00	Book Debt From Sale of Assets	36,000 00	49,420 00
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	Cash at Bank	NIL	3,865 03
	Bank Interest Gross	18 09	18 09
	Bank Interest Net of Tax	<u>NIL</u>	<u>5 84</u>
		36,018 09	59,120 04
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	Office Holders Fees	12,047 50	12,047 50
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		(21,258 58)	(27,767 01)
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(121,146 00)	Trade Creditors	771 15	771 15
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(58,428 00)	CVA Creditors Yet To Prove	NIL	NIL
(39,319 00)	HM Revenue and Customs (VAT)	1,730 78	1,730 78
(145,022 00)	HM Revenue and Customs (PAYE)	3,402 50	3,402 50
	Redundancy Payments Services (NIC)	<u>95 57</u>	<u>95 57</u>
		(6,000 00)	(6,000 00)
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	<u>NIL</u> NIL	<u>NIL</u> NIL
(395,485.00)		<u>8,759.51</u>	<u>63,838.60</u>
	REPRESENTED BY		
	Vat Receivable		11 88
	Bank 1 Current		352 79
	Bank 1 Deposit		63,473 93
			<u>63,838.60</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value for the period from 02/08/2012 to 01/08/2013

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

OFFICE HOLDERS EXPENSES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 expenses (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors may be charged by some offices and is charged at the rate of £100 (London £150) per meeting. External meeting room usage is charged at cost.
- Car mileage is charged at the rate of 45 pence per mile.

- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements. The

following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval)

- Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes, Four to Two Hundred Boxes charged at £11 per quarter per box, over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

- BTG Asset Consulting may be engaged to undertake valuations and/or disposal of assets. BTG Asset Consulting is a part of Begbies Traynor Group plc and is therefore an associated company. Their charges are based on 15% of realisations or time costs at a Partner rate of £125 per hour and Manager rate of £100 per hour. A separate charge will be levied for any valuations to be provided at a fixed fee of £500 + VAT. Disbursements are charged at cost and mileage is recovered at 40p per mile. All figures stated are net of VAT.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea office are as follows:

	Charge-out Rate (£ per hour)	
Grade of staff	From 01 May 2011	01 July 2008 to 01 May 2011
Partner	495	450
Partner 2	N/A	395
Director	395	375
Senior Manager	365	350
Manager	315	300
Assistant Manager	270	250
Senior Administrator	235	220
Administrator	185	180
Junior Administrator	160	150
Support	160	150

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff. Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of Insolvency office holders in England & Wales (Effective 1 April 2007)
² Statement of Insolvency Practice 9 (SIP 9) – Remuneration of Insolvency office holders in England & Wales (Effective 1 April 2007)

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Photocopying	Begbies Traynor (Central) LLP	234 40	159 40	75 00
Postage	Begbies Traynor (Central) LLP	161 55	161 55	0 00
Bonding	Insolvency Risk Services	170 00	170 00	0 00
Advertising	The Stationery Office	63 50	63 50	0 00
		629 45	554 45	75 00

NOTICE OF INTENDED DIVIDEND

Alchrist Engineering Limited (Registered Company Number 01682326) ("the Company")

The registered office of the Company is at The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and its principal trading address is at Unit 10-11 Heronsgate Trading Estate, Paycocke Road, Basildon, SS14 3EU

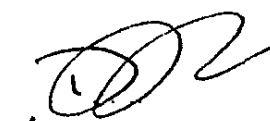
Lloyd Biscoe (IP Number 009141) and Wayne Macpherson (IP Number 009445), both of Begbies Traynor (Central) LLP of The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG were appointed as Joint Liquidators of the Company on 02 August 2011

The joint liquidators intend to declare a Final dividend to the non-preferential creditors of the Company who, not already having done so, are required on or before the 27 October 2013 ("the last date for proving") to send their proofs of debt to the joint liquidators, at Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea SS1 2EG and, if so requested to provide such further details or produce such documentary or other evidence as may appear to the liquidators to be necessary

A creditor who has not proved his debt by the last date for proving will be excluded from the dividend, which we intend to declare within the period of 2 months of that date

Any person who requires further information may contact the Joint Liquidator by telephone on 01702 467255 Alternatively enquiries can be made to Zoe Bonham by e-mail at zoe.bonham@begbies-traynor.com or by telephone on 01702 467255

Dated 27 September 2013



Lloyd Biscoe
Joint Liquidator