

Return of Final Meeting in a Creditors' Voluntary Winding Up

S.106

**Pursuant to Section 106 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

02820861

Name of Company

(a) Insert full name of
company

(a) Abercorn Homes Limited

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

I, (b)Linda Farish
Gosforth Park Avenue
Newcastle upon Tyne NE12 8EG

(c) Delete as
applicable
(d) Insert date
(e) The copy account
must be authenticated
by the written
signature(s) of the
liquidator(s)

1. give notice that a general meeting of the company was duly (c) ~~held on~~ [summoned for] (d) 31 March 2017 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached (e) laid before it showing how the winding up of the company has been disposed of and (c) ~~that the same was done accordingly~~ [no quorum was present at the meeting];

2. give notice that a meeting of the creditors of the company was duly (c) ~~held on~~ [summoned for] (d) 31 March 2017 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company has been disposed of and (c) ~~that the same was done accordingly~~ [no quorum was present at the meeting].

(f) insert venue of
meeting

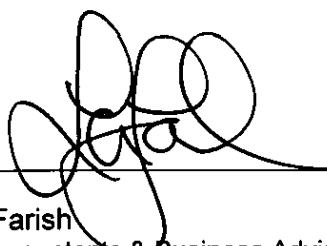
The meeting was held at (f) RMT, Gosforth Park Avenue, Newcastle upon Tyne, NE12 8EG,

The report covers the period from (d) 08 September 2009 (commencement of winding up) to (d) 28 April 2017 (close of winding up).

The outcome of the meeting including any resolutions passed at the meeting was as follows :

Resolution	Type	Result
Approve liquidators' release	Ordinary	Deemed Approved

Signed



Date

28/4/17

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

Linda Farish
RMT Accountants & Business Advisors
RMT, Gosforth Park Avenue
Newcastle upon Tyne NE12 8EG

SATURDAY



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A20

29/04/2017

#12

COMPANIES HOUSE

Section 106**Form 4.72 cont'd**

- (1) Assets, including
None

shown in the statement of assets and liabilities and estimated to be of the value of £0.00 have proved unrealisable.

- (2) Amount paid into the Insolvency Services Account in respect of

- | | |
|---|-------|
| (a) Unclaimed dividends payable to creditors in the winding up | £0.00 |
| (b) Other unclaimed dividends | £0.00 |
| (c) Moneys held by the Company in trust in respect of dividends or other sums due before the commencement of the winding up to any person as a member of the Company. | £0.00 |

- (3) Any other additional comments the liquidator thinks relevant

Dated

28/11/17

Signed by the liquidator



Name and Address

Linda Farish
RMT Accountants & Business Advisors
RMT, Gosforth Park Avenue
Newcastle upon Tyne NE12 8EG

Liquidator's statement of account: creditors' voluntary winding up

Statement showing how winding up has been conducted and the property of the company has been disposed of.

Name of Company : Abercorn Homes Limited

From 08/09/2009 (commencement of winding up) to 28 April 2017 (Close of winding up).

SOA Value £		£	£
	SECURED CREDITORS		
(90,517.21)	Fixed Charge Claims	0.00	
			0.00
	ASSET REALISATIONS		
0.00	Bank Interest Gross	18.96	
82,884.51	Debtor Retentions (Pre-Appointment)	15,413.37	
0.00	Debtors (Non-Trading)(Post-Appointment)	32.45	
103,204.57	Debtors (Pre-Appointment)	17,478.42	
0.00	Misc Retention Release	1,510.66	
			34,453.86
	COST OF REALISATIONS		
0.00	Corporation Tax	(2.14)	
0.00	Fees	(295.83)	
0.00	Legal Fees	(2,120.74)	
0.00	Liquidator's Expenses	(41.20)	
0.00	Liquidator's Fees	(26,962.75)	
)	
0.00	Petitioners Costs	(1,108.80)	
0.00	Preparation of Statement of Affairs	(3,335.00)	
0.00	Specific Bond	(276.00)	
0.00	Statutory Advertising	(311.40)	
			(34,453.86)
	PREFERENTIAL CREDITORS		
(5,249.86)	Holiday Pay	0.00	
(2,624.93)	Wages	0.00	
			0.00
	FLOATING CHARGE CREDITORS		
(90,517.21)	Floating Charge Claims	0.00	
			0.00
	UNSECURED CREDITORS		
(7,875.00)	Deficiency In Security	0.00	
(19,425.14)	Employees	0.00	
(97,510.44)	HM Revenue and Customs	0.00	
(22,497.46)	Trade and Expense Creditors	0.00	
			0.00
	EQUITY		
(76.00)	Ordinary	0.00	
			0.00
			0.00

Dividend Information:

No Dividends have been paid

Fee Information:

Date	Fee Basis	Fee Resolution	Approved (£)
03/09/2009	Time	Fees based on a Time Cost Basis	0.00
			0.00

Abercorn Homes Limited In Liquidation

Final Report

1 Introduction

- 1.1 I was appointed as Joint Liquidator of Abercorn Homes Limited on 8th September 2009, together with Anthony Alan Josephs, our appointment being confirmed at a meeting of creditors held later that day. Mr Josephs retired from this appointment on 31st December 2015 and Emily Louise Thompson was appointed in his place. Emily Thompson was removed from this appointment on 9th March 2017.
- 1.2 This report should be read in conjunction with our previous progress reports and specifically our most recent report of 8th November 2016. Should you require additional copies please do not hesitate to contact me.

2 Receipts & Payments Account

- 2.1 We attach a receipts and payments account for the period for the full period of the liquidation.

3 Statutory Information

Company name: Abercorn Homes Limited

Registered office: RMT, Gosforth Park Avenue, Newcastle upon Tyne, NE12 8EG

Former registered office: Abercorn House, Unit E Hobson Industrial Estate, Newcastle upon Tyne, NE16 6EA

Registered number: 02820861

Liquidators' names: Linda Farish & Emily Thompson

Liquidators' address: RMT, Gosforth Park Avenue, Newcastle upon Tyne, NE12 8EG

Liquidators' date of appointment: 8th September 2009

The funds in this assignment are held in an interest bearing account.

Liquidators' Actions Since Appointment

4 Trading Premises

- 4.1 The company traded from premises owned by Abercorn Properties Ltd under an informal rental arrangement, our investigations have confirmed there is no value available to the company in respect of any deposit or lease premium.

5 Book Debts

- 5.1 Book debts were split into two categories, Retentions and Contract debts. The realisations can be summarised as follows:

	Statement of affairs	Realised to date	Written off
Retention debt	82,844.51	16,924.03	65,920.48
Contract debt	103,204.57	17,510.87	88,864.34

- 5.2 Following my appointment, a detailed review of the ledger was conducted and it proved necessary to immediately write off the sum of £57,343.21 which related to debts shown as due in the ledger but where the customers had already proceeded into formal insolvency themselves.
- 5.3 Of the remaining debts, the majority proved to be subject to dispute as a result of claims for poor workmanship. Whilst some such claims can be expected in an insolvent situation the level in this case was particularly high. Having considered the explanations provided for none payment by customers it was extremely difficult to seek settlement as in many instances the works had already been subject to remedial work. Regrettably, I was left with no alternative but to write off the majority of the debts.
- 5.4 The director agreed to pursue the majority of the larger debts as he felt this would provide a better realisation due to his longstanding relationship with the debtors concerned. It became apparent, however, at an early stage that little progress was being made in securing payments. Sums received were minimal and the Joint Liquidators took over recovery procedure.
- 5.5 On our preliminary review of the debtor book a debt of £9,813 appeared to be immediately realisable however the customer refused payment. Following advice from lawyers BHP Law they recommended that the debt should be pursued. Following correspondence between the lawyer and customer it became clear that payment would not be secured without legal action or the use of an alternate dispute resolution procedure. During the period of this correspondence the lawyer dealing with the matter moved from BHP Law to Sintons LLP and the file moved with him. Having reviewed the costs associated with pursuing the debt, and taking into account the concerns of poor workmanship the debt was written off.
- 5.6 A considerable time had passed since many of the debts shown on the Company's ledger had been completed. Due to the protracted time scale and difficulties experienced in collecting these debts I instructed Cooper and Hall Ltd, a company experienced in this field of debtor collection. The director, who was tasked with the collection of the more complex debts, was instructed to deliver up the remaining contract files in respect of these debtors in order that Cooper and Hall could prepare a full report on the possibility of further realisations. However, despite numerous requests the records were never provided.

This meant there was insufficient information and evidence to enable Cooper and Hall to investigate the debtor position and secure any payments. In light of the remaining balances and a lack of information it was not considered cost effective to pursue the matter further and the remaining amounts allegedly due for retentions and contracts were written off.

6 Other Matters

- 6.1 I investigated the tangible assets of £21,723 which were included in the accounts to 31st May 2009 together with the overdrawn director's loan accounts at the date of liquidation.
- 6.2 This matter was passed to legal representatives, Clark Mairs LLP, who liaised with the director and the company accountants.
- 6.3 Following a significant period of investigation it was established that the director did not have the means to enable any form of repayment to be made to the Company and the matter was closed.
- 6.4 I was approached by TLW Solicitors with regard to investigating certain lenders to see if any standalone interest rate hedging product or embedded interest rate hedging product may have been incorporated into any company loans that had been taken out. These investigations were on a no win, no fee basis. The lender investigated in this particular case was Lloyds TSB Bank plc.

As part of these investigations the solicitors requested that the lender provide copies of documentation in respect of any loans and/or facilities to establish whether any hedging product was evident.

On conclusion of these investigations it was found that there was no record of any interest rate hedging products (either standalone or embedded) held in the name of Abercorn Homes Ltd.

7 “Prescribed Part”

- 7.1 Under the provisions of the Enterprise Act 2002, introduced on 15 September 2003, the preferential status of the Inland Revenue and Customs & Excise was abolished.

As a consequence of this a “prescribed part” of a Company’s assets must be set aside for the benefit of the unsecured creditors in respect of any floating charge security granted after 15 September 2003.

The prescribed part is calculated as follows:-

- 50% of the first £10,000 of the net property of the company if the net assets are in excess of the £10,000
- 20% of the net property thereafter, subject to a limit of £600,000

The prescribed part in this matter was estimated at £38,643. However, due to the reduced level of recoveries there will be no value attributed to the prescribed part taking into account the costs and expenses of the liquidation.

Liabilities & Dividend Prospects

7 Secured Liabilities

- 7.1 Lloyds TSB Bank plc were granted a debenture by the Company on 6th April 2004 (Registered 20th April 2004) creating fixed and floating charges over the assets and undertaking of the Company.
- 7.2 There were insufficient realisations available to enable a distribution to the Bank under its security.

8 Preferential Creditors

- 8.1 The statement of affairs anticipated preferential claims of £7,874.79. Claims totaling £7,874.79 have been received.
- 8.2 No funds are available to enable a dividend payment to the preferential creditors.

9 Crown Unsecured Creditors

- 9.1 The statement of affairs showed £97,510.44 as being due to HMRC. HMRC's final claim was received in the sum of £148,604.03.

10 Other Unsecured Creditors

- 10.1 The statement of affairs included 6 unsecured creditors with an estimated total liability of £22,497.46.
I have received claims from 11 creditors at a totalling £53,953.52.
I have not received claims from 2 creditors with original estimated claims in the statement of affairs of £578.86.
The estimated liability to unsecured creditors increased significantly following the submission of a claim from Her Majesty’s Court Service in the sum of £21,100 in respect of outstanding fines.

11 Dividends

It has not been possible to declare a dividend to unsecured creditors as the funds realised do not permit the payment of a dividend. This is predominantly due to the recoverable book debts being significantly less than the value attributed to them in the directors Statement of Affairs.

12 Investigation Into The Affairs Of The Company

- 12.1 We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

There were no matters that justified further investigation in the circumstances of this appointment, other than set out in the report.

- 12.2 Within six months of our appointment we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of a Company. We would confirm that in accordance with our duties the required report has been submitted.

13 Pre-Appointment Remuneration

- 13.1 The Board and creditors previously authorised the payment of an estimated fee of £3,245.25 for assistance with preparing the statement of affairs and convening and holding the meeting of the board and the subsequent meetings of members and creditors held on 8th September 2009.
- 13.2 The fee for preparing the statement of affairs and convening and holding the meeting of creditors was actually £3,335 and was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

14 Liquidators' Remuneration

- 14.1 Our remuneration was authorised by creditors, at the meeting held on 8th September 2009, to be drawn on a time cost basis. Our total time costs to 28th February 2017 total £50,512 representing 325.55 of hours work at an average charge out rate of £155.15 per hour.

We have drawn £26,962.75 to date. We will be drawing our unpaid times costs from the balance of funds, after allowing for the final expenses, together with VAT which is recoverable, and the remaining time costs will be written off.

A schedule of our time costs incurred to date is attached.

- 14.2 A description of the routine work undertaken in the Liquidation to date is as follows:

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on CCH Accounting Software.
- Review and storage.
- Case bordereau.
- Case planning and administration.
- Preparing reports to members and creditors.
- Convening and holding meetings of members and creditors.

Cashiering

- Maintaining and managing the Liquidator's cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

Creditors

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to creditors.
- Maintaining creditor information on CCH Accounting Software.
- Reviewing and adjudicating on proofs of debt received from creditors.

Investigations

- Review and storage of books and records.
- Preparing a return pursuant to the Company Directors Disqualification Act.
- Conducting investigations into suspicious transactions.
- Review books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors.

Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts.
- Liaising with the Company's bank regarding the closure of the account.
- Pursuing the director in respect of his overdrawn loan account.
- Liasing with TLW Solicitors with regard to potential hedging products.

14.3 The hourly charge out rates of RMT as at 1st July 2015 are, Director £300, Head of Recovery & Insolvency £270, Manager £250, Administrator £120-£170. The rates are reviewed annually on 1st July. The charge out rates were not revised on 1st July 2016.

14.4 Information about current charge out rates and expenses are set out under the heading 'Practice Fee Recovery Policy for RMT' which includes website details where creditors can obtain the "Creditors Guide to Fees" which contains guidance notes covering the basis of Liquidators' Fees.

15 Liquidators' Expenses

15.1 Our expenses to 28th February 2017 amount to £559.00.

Oath Fee	£15.00
Travel Costs	£41.20
Specific Bond	£276.00
Statutory Advertising	£226.80

15.2 We have drawn £559.00 to date. The final advertising fee, not reflected above, will be drawn from the funds currently held in the Bank account.

15.3 The following agents or professional advisors have been utilised in this matter:

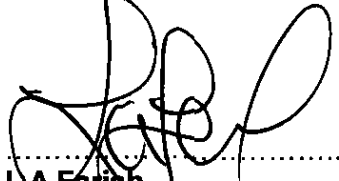
<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>
James Sutherland (Auctioneers) Ltd	Valuer/Auctioneer	Percentage of realisations
BHP Law	Solicitors	Time costs
Sintons LLP	Solicitors	Time costs
Clark Mairs	Solicitors	No win/no fee
TLW	Solicitors	No win/no fee

The choice of professionals 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. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

16 Conclusion

The winding up of the Company is now complete and we have held the final meetings of the Company's members and creditors where our final report was presented and our release as liquidators sought.

Our case files will now be placed in storage.

A handwritten signature in black ink, appearing to read 'L.A. Farish', is written over a horizontal dotted line.

L.A. Farish
Joint Liquidator
28th April 2017

Receipts and Payments Abstract: LA6800 - Abercorn Homes Limited In Liquidation

Bank, Cash and Cash Investment Accounts: From: 08/09/2009 To: 28/04/2017

SOA Value £	08/09/2009 to 28/04/2017		Total to 28/04/2017	
	£	£	£	£
SECURED CREDITORS				
(90,517.21)	Fixed Charge Claims	<u>0.00</u>	<u>0.00</u>	0.00
			0.00	0.00
ASSET REALISATIONS				
0.00	Bank Interest Gross	18.89	18.96	
82,884.51	Debtor Retentions	15,413.37	15,413.37	
0.00	Debtors	32.45	32.45	
103,204.57	Debtors (Pre-Appointment)	13,388.77	17,478.42	
0.00	Misc Retention Release	<u>1,510.66</u>	<u>1,510.66</u>	
			30,364.14	34,453.86
COST OF REALISATIONS				
0.00	Corporation Tax	(2.13)	(2.14)	
0.00	Fees	(295.83)	(295.83)	
0.00	Legal Fees	(2,120.74)	(2,120.74)	
0.00	Liquidator's Expenses	(41.20)	(41.20)	
0.00	Liquidator's Fees	(26,962.75)	(26,962.75)	
0.00	Petitioners Costs	(1,108.80)	(1,108.80)	
0.00	Preparation of Statement of Affairs	(3,335.00)	(3,335.00)	
0.00	Specific Bond	(276.00)	(276.00)	
0.00	Statutory Advertising	<u>(311.40)</u>	<u>(311.40)</u>	
			(34,453.85)	(34,453.86)
PREFERENTIAL CREDITORS				
(5,249.86)	Holiday Pay	0.00	0.00	
(2,624.93)	Wages	<u>0.00</u>	<u>0.00</u>	
			0.00	0.00
FLOATING CHARGE CREDITORS				
(90,517.21)	Floating Charge Claims	<u>0.00</u>	<u>0.00</u>	
			0.00	0.00
UNSECURED CREDITORS				
(7,875.00)	Deficiency In Security	0.00	0.00	
(19,425.14)	Employees	0.00	0.00	
(97,510.44)	HM Revenue and Customs	0.00	0.00	
(22,497.46)	Trade and Expense Creditors	<u>0.00</u>	<u>0.00</u>	
			0.00	0.00
EQUITY				
(76.00)	Ordinary	<u>0.00</u>	<u>0.00</u>	
			0.00	0.00
<u>(150,204.17)</u>			<u>(4,089.71)</u>	<u>0.00</u>