

## 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

02823831

Name of Company

EPI Service Limited - CVL

+/ We

Alan Brian Coleman, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG

Roderick Michael Withinshaw, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG

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 27/11/2013 to 26/11/2014

Signed  Date 17/12/2014

Royce Peeling Green Limited  
The Copper Room  
Deva Centre  
Trinity Way  
Manchester  
M3 7BG

Ref EP501/ABC/RMW/JW/MM/DAB

FRIDAY



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19/12/2014

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COMPANIES HOUSE

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**EPI SERVICE LIMITED - IN LIQUIDATION**

# **Joint Liquidators' Annual Progress Report to Creditors & Members**

**EPI Service Limited - CVL - In  
Liquidation**

**17 December 2014**

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## **APPENDICES**

- A Receipts and Payments Account from 27 November 2013 to 26 November 2014 AND cumulative Receipts and Payments Account for Period from 27 November 2012 to 26 November 2014.
- B Time Analysis for the period 27 November 2013 to 26 November 2014 and cumulative Time Analysis for the Period from 27 November 2012 to 26 November 2014
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

## **1 Introduction and Statutory Information**

- 1.1 I, Alan Brian Coleman, together with my partner Rodenck Michael Withinshaw, of Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG, was appointed as Joint Liquidator of EPI Service Limited (the Company) on 27 November 2012. This report provides an update on the progress in the liquidation for the year ended 26 November 2014.
- 1.2 The principal trading address of the Company was 6 Wilan Park, Avenue 2, Witney, Oxfordshire, OX28 4FH.
- 1.3 The registered office of the Company has been changed to The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG and its registered number is 02823831.

## **2 Realisation of Assets**

- 2.1 Attached at Appendix A is my Receipts and Payments Account for the period from 27 November 2013 to 26 November 2014 and a cumulative Receipts and Payments Account for the period from 27 November 2012 to 26 November 2014.

### **Funds from Joint Administration**

- 2.2 Total funds in the sum of £394,691.66 were transferred over to the Liquidation.

## **3 Investigations**

- 3.1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents.
- 3.2 Shortly after appointment, I 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 initial meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report.

#### 4 Creditors

##### Secured Creditors

4.1 Downing Corporate Finance Ltd (Downing) held a fixed and floating charges over the Company's assets in respect of loan notes issued to the Company

4.5 Total payments made to the secured lender in the Liquidation was £251,047. Payments of £100,000 each were paid in August 2013 and January 2014. A final payment of £51,047 was made in June 2014.

##### Preferential Creditors

4.1 A summary of preferential claims is detailed below.

Preferential claim	Agreed claim	Statement of Affairs claim	Preferential fund
Department for Business Innovation and Skills	35,586.23	63,000	Department for Business Innovation and Skills

4.2 Preferential creditors were paid in full on 24 January 2014.

##### Unsecured Creditors

4.3 I have received claims totalling £1,838,570.49 from 221 creditors. The remaining 85 creditors confirmed they had no claim in the Liquidation or failed to submit a Statement of Claim and will therefore be excluded for dividend purposes, if they fail to provide a claim on or before 14 January 2015.

4.4 The Company granted a floating charge to Downing on 24 November 2011. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors.

4.5 As at 12 May 2014, based on information available at that time, I estimated the value of the Company's net floating charge property to be £317,558.75. Arising from this, the value of the unsecured creditors' fund was estimated to be £66,511.75 subject to the costs of dealing with the unsecured creditors' claims.

#### 5 Notice of Intended Dividend

5.1 Pursuant to Rule 11.2 of The Insolvency Rules 1986, NOTICE IS HEREBY GIVEN that the Joint Liquidators propose declaring a dividend to the unsecured creditors of the Company.

The last date for proving debts against the Company is 14 January 2015, by which date claims must be sent to the undersigned, of Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG, the Joint Liquidator of the Company. Notice is further given that the Joint Liquidators intend declaring first and final dividend within 2 months of the last date for proving.

## **6 Joint Liquidators' Remuneration**

- 6.1 The Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.
- 6.2 My time costs for the period from 27 November 2013 are £9,422.50. This represents 74.30 hours at an average rate of £126.82 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period and a cumulative analysis covering the period since my appointment as Liquidator to 26 November 2014. Total time costs are £27,361.35 which represents 190.65 hours at an average hourly rate of £143.52. To date, £27,190.73 plus disbursements of £961.06 have been drawn on account.
- 6.3 The majority of the Joint Liquidators' time costs relates to notifying the relevant parties of the liquidation of the company, dealing with creditor claims, realisation of the company assets as detailed in the directors' estimated Statement of Affairs and cashiering duties in respect of receipts and payments into the liquidation bank account.
- 6.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.rpg.co.uk](http://www.rpg.co.uk). Please refer to the publication at the bottom of the web page.
- 6.5 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.
- 6.6 Since the date of my last report the following Category 2 disbursements have been taken
- Postage - £209.71

## **7 Joint Liquidators' Expenses**

Since the date of my last report the following expenses have been taken

EPI SERVICE LIMITED - IN LIQUIDATION

- Storage Costs – £17 00


**8 Creditors' rights**

- 8 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 Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- 8 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 Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

**9 Next Report**

- 9 1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully

  
for **A B Coleman**  
Joint Liquidator

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**EPI Service Limited - CVL  
(In Liquidation)**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 27/11/2012 To 26/11/2013 (£)</b>	<b>From 27/11/2013 To 26/11/2014 (£)</b>	<b>Total (£)</b>
Bank Interest Gross		249 94	149 38	399 32
Transfer from Administration		394,691 99	-	394,691 99
		<u>394,941.93</u>	<u>149 38</u>	<u>395,091 31</u>
<b>PAYMENTS</b>				
Chargeholder (1)		100,000 00	151,047 00	251,047 00
Liquidator's Fees		13,140 73	14,050 00	27,190 73
Liquidator's Expenses		751 35	209 71	961 06
Legal Fees (1)		5,357 50	-	5,357 50
Legal fees (2)		351 00	-	351 00
Corporation Tax		-	49 80	49 80
Storage Costs		-	17 00	17 00
Statutory Advertising		84 60	-	84.60
Bank Charges		75 00	-	75 00
RPO Arrears & Holiday Pay - Pref		-	35,586 23	35,586 23
Employee Arrears/Hol Pay - Pref		-	28,630 17	28,630.17
		<u>119,760 18</u>	<u>229,689.91</u>	<u>349,350 09</u>
<b>Net Receipts/(Payments)</b>		<b>275,181.75</b>	<b>-</b>	<b>229,440 53</b>
				<b>45,741 22</b>
<b>MADE UP AS FOLLOWS</b>				
Bank 1 Current		272,683 33	-	227,425 51
VAT Receivable / (Payable)		2,498 42	-	2,015 02
		<u>275,181 75</u>	<u>-</u>	<u>229,440 53</u>
				<u>45,741 22</u>



## Appendix B

SIP 9 Compliance Fees Worksheet  
Time spent by grade from 27 November 2013 to 26 November 2014

	Office Holder £	Manager £	Administrator £	Cashier £	Support £	Total Hours	Total Cost £	Average Rate £
Highest Charge out Rates	250	170	93 - 150	68	52			
Statutory & Compliance	0.80	1.00	3.00	0.40	-	5.20	676.60	130.12
Realisation of Assets	-	-	2.00	-	-	2.00	186.00	93.00
Creditors and Claims	5.00	23.15	25.20	-	-	53.35	7,501.10	140.60
Cashier	-	-	-	11.50	-	11.50	791.80	68.85
Employee Matters	-	0.75	1.50	-	-	2.25	267.00	118.67
Total hours/Cost	5.80	24.90	31.70	11.90	-	74.30	9,422.50	126.82

## Consolidated time spent by grade from 27 November 2012 to 26 November 2014

	Office Holder £	Manager £	Administrator £	Cashier £	Support £	Total Hours	Total Cost £	Average Rate £
Highest Charge out Rates	250	170	93 - 150	68	52			
Statutory & Compliance	2.40	5.00	3.20	0.40	0.00	11.00	1,593.30	144.85
Realisation of Assets	0.00	0.50	2.00	0.00	0.00	2.50	263.50	105.40
Creditors and Claims	21.60	88.95	32.90	0.00	0.00	143.45	22,558.70	157.26
Cashier	0.00	0.00	0.00	21.70	0.00	21.70	1,447.60	66.71
Investigation	0.00	5.75	3.00	0.00	0.00	8.75	1,146.25	131.00
Employee Matters	0.00	0.75	2.50	0.00	0.00	3.25	352.00	108.31
Total hours/Cost	24.00	100.95	43.60	22.10	0.00	190.65	27,361.35	143.52

## ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

### PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

#### 1 Policy

Detailed below is Royce Peeling Green Limited's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

##### 1.1 *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Manager, Administrator and/or an Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We are not proposing to utilise the services of any sub-contractors in this case.

##### 1.2 *Professional advisors*

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
Turner Parkinson LLP (legal advice)	Hourly rate and disbursements

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

13 *Disbursements*

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.

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.

On this case the following Category 2 disbursements have been incurred since my last report

Type and purpose	£
Postage	209.71

2 **Charge-out rates**

A schedule of Royce Peeling Green Limited charge-out rates was issued to creditors at the time the basis of the Trustee's remuneration was approved. There have been no material increases in charge-out rates since that date, below are details of this firm's charge out rates which have been applied with effect from 1 July 2013.

**EPI SERVICE LIMITED - IN LIQUIDATION**

	(per hour)
	£
<b>Insolvency Practitioner/Office Holder</b>	250
<b>Manager</b>	170
<b>Administrator</b>	93
<b>Support</b>	50-70

Please note that this firm records its time in minimum units of 6 minutes.

**EPI SERVICE LIMITED - CVL**

**CREDITOR'S STATEMENT OF CLAIM**

Name and address of creditor

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount claimed in the liquidation  
(Including VAT)

£ \_\_\_\_\_

Signature of creditor

\_\_\_\_\_

Name of creditor

\_\_\_\_\_

Telephone

\_\_\_\_\_

Fax

\_\_\_\_\_

E-mail

\_\_\_\_\_

Date

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994.

Please return this form when you have completed it to Margaret Mullarkey at Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG.

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Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account

Claims lodged in the liquidation should be gross, including any VAT element. If/when dividends are paid, creditors who have claimed VAT bad debt relief must apportion the dividend between VAT and the net element of their claim and account to HM Revenue & Customs for the VAT element through their VAT return.

Insolvency practitioners have no role in administering VAT bad debt relief under the Value Added Tax Act 1994. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.