

# 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

02984882

Name of Company

AMT Systems Limited

I / ~~We~~

A J Clark, Recovery House, Hainault Business Park, 15-17 Roebuck Road, Ilford, Essex, IG6 3TU

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 31/12/2015 to 30/12/2016

*AJ Clark*

Signed

Date 5/4/17

Carter Clark  
Recovery House  
15-17 Roebuck Road  
Hainault Business Park  
Ilford, Essex  
IG6 3TU

Ref: AMT2014/RS



**AMT Systems Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 31/12/2015 To 30/12/2016	From 31/12/2013 To 30/12/2016
	<b>ASSET REALISATIONS</b>		
356,454.00	Surplus from Administration	NIL	362,453.54
	Furniture & Equipment	NIL	400.00
3,500.00	Scrap Metal money	NIL	3,500.00
10,000.00	Unencumbered Motor Vehicles	NIL	NIL
100,000.00	Book Debts	NIL	33,089.20
65,364.00	Retentions	NIL	11,924.69
	Tax Refund	43,274.28	75,543.55
29,204.30	Cash at Bank	NIL	27,494.29
	Litigation Settlements	NIL	55,500.00
	Bank service charge refund	NIL	32.35
	Bank Interest Gross	925.03	1,485.93
		<u>44,199.31</u>	<u>571,423.55</u>
	<b>COST OF REALISATIONS</b>		
	Liquidator's Fees	15,800.00	67,600.00
	Office Holders Expenses	720.75	2,058.13
	Accountants Fee	1,750.00	5,250.00
	Agents Fees	NIL	8,210.00
	Litigation Settlement	NIL	NIL
	Legal Fees	1,411.50	23,544.50
	Legal disbursements	NIL	52.00
	Corporation Tax	NIL	33.00
	Debt Collection Fees	NIL	2,300.00
	Debt Collection Fees	NIL	NIL
	Insurance of Assets	NIL	18.37
	Bank Charges	155.30	343.45
		<u>(19,837.55)</u>	<u>(109,409.45)</u>
	<b>PREFERENTIAL CREDITORS</b>		
		NIL	NIL
	DE Arrears & Holiday Pay	NIL	NIL
	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>		
(1,086,185.68)	Trade & Expense Creditors	50,794.31	211,847.92
(119,167.91)	Employees	3,635.78	15,349.80
(110,036.71)	Department of Employment	8,436.85	35,153.53
	Overpaid Dividend to Employees	27.30	27.30
(72,762.89)	HMRC - PAYE/NIC	NIL	NIL
(19,738.00)	HMRC - Corp Tax	NIL	NIL
18,671.00	HMRC - VAT	NIL	NIL
(434,605.00)	Guarantee Liability	26,076.30	108,651.25
	Notional Tax and NI on Uns. dividend	27.30	83.10
	Unclaimed Dividends to The ISA	118.50	118.50
		<u>(89,116.34)</u>	<u>(371,231.40)</u>
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(1,259,402.89)</b>		<b><u>(64,754.58)</u></b>	<b><u>90,782.70</u></b>

REPRESENTED BY



Your ref  
Our ref  
Contact  
Telephone  
Fax  
Date

AMT2014/RS/3  
Ryan Sinclair  
020 8559 5092  
020 8524 1457  
05 April 2017

**Carter Clark**  
Financial Recovery

Recovery House  
Hainault Business Park  
15-17 Roebuck Road  
Ilford  
Essex  
IG6 3TU

**PRIVATE AND CONFIDENTIAL**  
**To All Known Creditors and Contributories**

Dear Sirs

**AMT Systems Limited - In Liquidation**  
**Company No. 02984882**

Further to my appointment as Liquidator on 31 December 2013, I am now in a position to provide creditors and contributories with my third progress report on the liquidation. Please find enclosed receipts and payments accounts from the last anniversary which, I trust, is self-explanatory. The balance of funds is held in a non-interest bearing estate bank account.

The company's registered office was changed to that of my office on 4 February 2014. Prior to that the registered office and last trading address of the company was Unit 14 West Stockwith Park, Stockwith Road, Misterton, Doncaster, South Yorkshire, DN10 4ES.

I can be contacted at the address shown on this report, however if you have any queries concerning this progress report I would be grateful if you would contact Ryan Sinclair who can be contacted on the telephone number shown above.

**LIQUIDATORS' ACTIONS SINCE LAST REPORT**

Since my last report, I have provided creditors with this report and submitted by receipts and payments account to the Registrar of Companies.

Since my last report I have attended to basic enquiries regarding my investigations into the directors conduct.

Any further claims of unsecured creditors which have been notified to me since my last report have been entered on my case management system and adjudicated. Any queries raised by unsecured creditors have been answered either by telephone or in correspondence

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is as follows:

1. Administration
  - Dealing with all routine correspondence and emails relating to the case.
  - Opening, maintaining and managing the office holder's estate bank account.
  - Creating, maintaining and managing the office holder's cashbook.
  - Undertaking regular bank reconciliations of the bank account containing estate funds.
  - Reviewing the adequacy of the specific penalty bond on a quarterly

Partners  
Gary A Carter  
Alan J Clark  
Philip Gautier

Associate  
Alistair Whipps

[www.carterclark.co.uk](http://www.carterclark.co.uk)

\*Licensed to carry out insolvency work in the UK by the Institute of Chartered Accountants in England and Wales.

basis.

- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

During the period covered by this report I and my staff have spent 12.1 hours on administration on the file at an average hourly rate of £243.60 and a total charge to the insolvent estate of £2,947.50. From the outset of the liquidation to the anniversary date the time spent undertaking administration on the file has been 47.6 hours at an average hourly rate of £211.30 and a total cost to the estate of £10,058. This work has not resulted in any benefit to creditors but has had to be done either as a statutory requirement or as a professional requirement that is imposed on me.

#### 1. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

During the period covered by this report I and my staff have spent 32.8 hours on creditor claims at an average hourly rate of £258.90 and a total charge to the insolvent estate of £8,492. From the outset of the liquidation to the anniversary date the time spent on creditors' claims has been 144.2 hours at an average hourly rate of £225.29 and a total cost to the estate of £32,486.50. This work has resulted in a benefit to creditors as it has enabled dividends to be paid.

#### 2. Investigations

- Attending to general enquiries.

The work that has been in respect of investigations is detailed in the body of the report. Myself and my staff's time spent on investigations in the period covered by this report amounts to 0.1 hours at an average rate of £270 per hour and a total charge of £27. From the outset of the liquidation to the anniversary date the time spent on investigations has been 51.7 hours at an average hourly rate of £238.34 and a total cost to the estate of £12,322. All investigations were done either with a view to ascertaining whether any monies could be recovered for the benefit of creditors or as I was under a statutory or professional duty to undertake the investigations. Accordingly creditors have benefited from some of this work.

#### 3. Realisation of assets

- Corresponding with debtors and attempting to collect outstanding book debts.

The work done in connection with asset realisations is detailed in the body of the report. Myself and my staff's time spent on asset realisations amounts to 14.2 hours at an average rate of £297.36 per hour and a total charge of £4,222.50. From the outset of the liquidation to the anniversary date the time spent on asset realisations has been 52.6 hours at an average hourly rate of £245.51 and a total cost to the estate of £12,914. This work has benefited creditors as the realisations made have resulted in a distribution to creditors.

### **Assets realisations**

Since my last report I have recovered a further £43,274 in HM Revenue & Customs tax refunds.

I have also recovered a further £925 of bank interest.

In respect of the remaining debtors and retentions, I have now instructed a former officer of the company Mr Murray Esplin to assist in the collection of these debts due to his previous working knowledge of the contracts. I am hopeful that further recoveries will now be made.

### **Connected party transactions**

Since the commencement of the liquidation there have been no transactions with a connected party.

### **Further asset realisations**

I anticipate that the further asset realisations will be made from the debtors/retentions.

### **Secured Creditors**

There are no secured creditors.

### **Preferential creditors**

All known preferential creditor claims were settled through the administration and no further claims are expected

### **Unsecured creditors**

Claims from unsecured creditors following the Administration were originally estimated at £2,333,641. To date, 86 claims have been agreed in the sum of £1,484,816. Furthermore, claims totalling £494,971 have been rejected either as part of a settlement agreement or attempted contra charges from customers. The claims of HMRC for VAT and PAYE in the sum of £181,880 have been deferred until after agreement of the company's terminal loss relief has been obtained.

Dividends have previously been paid to unsecured creditors during the liquidation which are outlined further in the report. In the current reporting period a third distribution to creditors was made on 8 March 2016 representing a further 0.06p in the £ on their claims.

### **Prescribed Part**

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A liquidator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property up to a maximum of £600,000.

There is no qualifying floating charge in this case so the prescribed part provisions do not apply.

### **Dividend Prospects**

As creditors will be aware from previous reports, on 6 March 2014 a dividend of £222,723 representing 15p in the £ was declared and distributed. In addition, on 31 July 2014 a second distribution of £59,392 representing 4p in the £ was declared and distributed.

Creditors will also be aware that a third distribution was made in the reporting period representing 0.06p in the £ on 8 March 2016.

### **Investigation**

I 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.

As previously advised following the liquidation I continued to investigate matters which may have led to a benefit to creditors. In particular I investigated various charges made to the company for computers and data costs. A settlement of £400 was obtained in respect of this with the assistance of solicitors.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company.

I would confirm that my report has been submitted and I confirm that all salient matters relating to my investigation have been passed to the Department of Business Enterprise and Regulatory Reform at the Insolvency Service for consideration pursuant to the Company Directors' Disqualification Act 1986. In this regard, creditors are asked to note that I cannot comment further on this matter for reasons of confidentiality imposed upon me by the Act.

#### **Liquidator's remuneration, disbursements and expenses**

Within the Administration it was agreed that the liquidator be remunerated on a time cost basis together with VAT and disbursements. Time costs to the anniversary date of £67,780 (excluding VAT) have been incurred. This represents 296.1 hours administration by myself and my staff, at an average hourly rate of £228.91. The attached receipts and payments account sets out payments to date.

For the period covered by this report, the time spent on administering the liquidation by myself and my staff was 59.2 hours at a cost of £15,689. This equates to an average hourly rate of £265.02.

Disbursements reimbursed to the office holder or his firm, and the basis of which they are calculated, are as follows:

Category 1 Disbursements	Cost	Basis	Incurred since last anniversary	Drawn
	£		£	£
Advertising	77.00	actual	-	77.00
Unpaid Administration Expenses	1,260.00	actual	-	1,260.00
	<u>1,337.00</u>		<u>-</u>	<u>1,337.00</u>

  

Category 2 Disbursements	Cost	Basis	Incurred since last anniversary	Drawn
	£		£	£
Storage	721.00	per attached	-	721.00
	<u>721.00</u>		<u>-</u>	<u>721.00</u>

As set out in my last report, storage facilities have been provided by an associate in respect of the transportation and storage of the company's books and records at a cost of £721.

I have used the following agents or professional advisors in the reporting period/liquidation:

Professional Advisor	Nature of Work	Basis of Fees
Gordon Brothers Europe	Valuer/Auctioneer	Percentage of realisations
Blake Morgan	Solicitors	Time costs

Murray Esplin  
Bray Griffin

Agent  
Accountancy

Fixed Fee  
Time costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

Agents fees in the sum of £8,210 have been incurred. This mainly related to the retrieval of pumps from Australia, their subsequent sale and dealings with HMRC in this country. The agents instructed by me were Gordon Brothers Europe Limited. I chose to instruct them due to their experience in dealing with the sale of insolvent company assets and the ability to deal with cross border issues.

The agents fees shown in the attached receipts and payments account in the sum of £950 were paid to Murray Esplin in respect of his assistance during the liquidation. His fees were approved by the creditors committee. My reason for instructing Mr Esplin was his experience within the water treatment industry. The basis of his fees was a fixed fee.

Legal fees of £23,544.50 have been incurred and paid to Blake Morgan. I instructed them due to the experience and reputation for dealing with specialist insolvency matters. The basis of the fee is time costs. In the current reporting period they incurred and was paid £1,411.50.

I instructed Mr Ian Bray of Bray Griffin LLP to assist me with regards to progressing the terminal loss relief claim. My reason for instructing him was due to his past knowledge in dealing with similar claims and the fees incurred by him total £5,2500 which have been paid. The basis of his fee was time costs. In the current period £1,750 was incurred and paid to him.

#### **Further Information**

Creditors are entitled to seek further information concerning my remuneration, disbursements and expenses. Guidance on how to seek further information and question the fees incurred is available in the Guide to Liquidators Fees. A copy can be viewed in the CreditZone of our website [www.carterclark.co.uk](http://www.carterclark.co.uk). The relevant guide for this liquidation is the one for liquidations post 6 April 2010. Alternatively a copy will be supplied from this office upon request. Also available in the same section of our website is this firm's policy on fees. In the section on our website headed corporate information is the relevant information I am required to provide under the Provision of Goods and Services Regulations.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

#### **Summary**

The Liquidation will remain open until all attempts at collecting the outstanding debtors have been exhausted. I estimate that this will take approximately 6-12 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Ryan Sinclair on the above telephone number, or by email at [ryan.sinclair@carterclark.co.uk](mailto:ryan.sinclair@carterclark.co.uk)

. Yours faithfully  
For and on behalf of AMT Systems Limited

A handwritten signature in black ink, appearing to be 'A J Clark', written in a cursive style.

<sup>1P</sup> A J Clark  
**Liquidator**



**AMT Systems Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 31/12/2015 To 30/12/2016 £	From 31/12/2013 To 30/12/2016 £
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		<u>(89,116.34)</u>	<u>(371,231.40)</u>
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>

**(1,259,402.89)**

**(64,754.58)**

**90,782.70**

REPRESENTED BY  
Fixed Current A/c

90,782.70

**90,782.70**

A J Clark  
Liquidator