

## The Insolvency Act 1986

Liquidator's Progress Report  
Pursuant to Section 192 of  
The Insolvency Act 1986**S.192**

For Official Use

To the Registrar of Companies

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Company Number

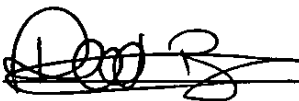
03230364

Name of Company

Midland Veneers Limited

I / We  
Roderick Graham Butcher  
79 Caroline Street  
Birmingham  
B3 1UPthe liquidator(s) of the company attach a copy of my/our progress report  
under section 192 of the Insolvency Act 1986

Signed



Date

29/6/11

Butcher Woods  
79 Caroline Street  
Birmingham  
B3 1UP

Ref 0757/DRT/RPJG

Insolv

THURSDAY



\*AYTSZVF2\*

A33

30/06/2011

211

COMPANIES HOUSE

**Midland Veneers Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

<b>Statement of Affairs</b>		<b>From 15/06/2010 To 14/06/2011</b>
71,216 00	HIRE PURCHASE	
(21,124 00)	Book Debts	NIL
	HSBC Invoice Finance (UK) Ltd	NIL
		NIL
	ASSET REALISATIONS	
30,000 00	Plant & Machinery	28,500 00
500 00	Stock/WIP	NIL
	Book Debts	76 73
2,532 00	Cash at Bank	2,488 78
	Sundry Refund	290 59
		31,356 10
	COST OF REALISATIONS	
	Execution Creditor	513 38
	Preparation of S of A	2,500 00
	Agents/Valuers Fees (1)	3,500 00
	Storage Costs	750 00
	Statutory Advertising	226 80
		(7,490 18)
(36,189 00)	PREFERENTIAL CREDITORS	
	DE Arrears & Holiday Pay	NIL
		NIL
(110,823 00)	FLOATING CHARGE CREDITORS	
	Floating Charge Creditor	NIL
		NIL
(841,270 00)	UNSECURED CREDITORS	
	Trade & Expense Creditors	NIL
		NIL
(20,000 00)	DISTRIBUTIONS	
	Ordinary Shareholders	NIL
		NIL
<b>(925,158.00)</b>		<b>23,865.92</b>
	REPRESENTED BY	
	Vat Receivable	960 78
	Bank 1 Current	22,905 14
		<b>23,865.92</b>

Your Reference

Our Reference BWCR/DRT/0757/Annual

When telephoning please ask for Dan Trinhnam

# Butcher Woods

CORPORATE RECOVERY

79 Caroline Street, Birmingham B3 1UP  
Tel 0121 236 6001 Fax 0121 236 5702

24 June 2011

## To all known members and creditors

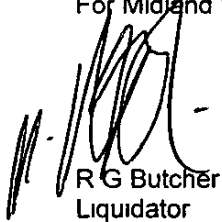
Dear Sirs

### MIDLAND VENEERS LIMITED IN LIQUIDATION

This is my report to members and creditors following the end of the first year of the liquidation. My report follows and should be read in conjunction with my report dated 15 June 2010.

If members or creditors have any queries regarding this report or the conduct of the liquidation in general, they should contact Dan Trinhnam on 0121 236 6001.

Yours faithfully  
For Midland Veneers Limited



R G Butcher  
Liquidator

**Enclosure**

THURSDAY



A33 30/06/2011 210  
COMPANIES HOUSE

## **MIDLAND VENEERS LIMITED IN LIQUIDATION**

### **Liquidator's annual report**

#### **STATUTORY INFORMATION**

Company name	Midland Veneers Limited
Registered office	79 Caroline Street, Birmingham, B3 1UP
Former registered office	Unit 3, Folkes Road, Hayes Trading Estate, Lye, West Midlands, DY9 8RG
Registered number	03230364
Liquidator's name	Roderick Graham Butcher
Liquidator's address	Butcher Woods, 79 Caroline Street, Birmingham, B3 1UP
Liquidator's date of appointment	15 June 2011

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

My Receipts & Payments Account for the period from 15 June 2010 to 14 June 2011 is attached at Appendix A

#### **ASSETS**

##### **Plant & Machinery**

The Statement of Affairs showed a realisable value of £30,000 for the plant & machinery owned by the company. An amount of £28,500 has been realised following the sale of the plant & machinery to an associated company, Vernwood Limited. I believe the company to be associated by way of common director(s). The sale was completed on 24 June 2010 and was recommended by my agents Messrs Deeley Matthews.

##### **Stock and Work In Progress**

As per the Statement of Affairs the stock and work in progress were estimated to realise £500. No offers were received for these assets and as such they were considered uneconomical to realise and were abandoned.

##### **Cash at Bank**

£2,489 has been received following the transfer of funds from the company's old Bank account held with National Westminster Bank plc.

### **Sundry Refund**

£291 has been realised as sundry refunds

### **Book Debts**

There were book debts subject to a finance agreement with HSBC Invoice Finance (UK) Ltd with a book value of £94,954 which was estimated to realise £71,216 as per the Statement of Affairs. As at the date of appointment HSBC Invoice Finance were due £21,124 in respect of their agreement.

The book debts continue to be pursued by HSBC Invoice Finance who have informed me that they currently have a credit balance of £5,000. They continue to pursue the remaining debtor for the balance of approximately £8,000. This is being paid to HSBC Invoice Finance at £1,000 per month. They therefore anticipate that collection will be complete at the end of 2011. Following this HSBC Invoice Finance will transfer the funds to myself as liquidator, minus their costs and their associated legal expenses.

An amount of £77 has been received directly into the liquidation estate from a debtor.

## **LIABILITIES**

### **Secured Creditors**

HSBC Invoice Finance (UK) Ltd have a fixed charge over the company book debts. On present information it appears that they will be paid in full following the collection of outstanding debtors.

HSBC Bank plc have a floating charge over the assets of the company in relation to a loan facility provided to the company. As at the date of liquidation their indebtedness totalled £110,823.

The Bank's charge is dated after 15 September 2003 and as such the prescribed part applies. It is however unlikely that there will be a distribution to the Bank and as such unlikely that there will be a dividend to unsecured creditors under the prescribed part due to the level of preferential creditors in this matter.

### **Preferential Creditors**

The statement of affairs anticipated £36,189 as being due to preferential creditors. A claim totalling £28,632 has been received from The Insolvency Service. I anticipate that the final preferential claim will increase with regard to the balancing preferential claims due to employees for arrears of wages and holiday pay that were not met by The Insolvency Service.

On present information it is likely that there will be a dividend to preferential creditors however the quantum and timing is not known at present. It is not anticipated that preferential creditors will be paid in full.

### **Unsecured Creditors**

On present information it is not expected that there will be sufficient realisations to enable a dividend to unsecured creditors.

## **LIQUIDATOR'S ACTIONS SINCE APPOINTMENT**

Messrs Deeley Matthews were instructed to value the company assets

Following our appointment we liaised with a number of interested parties regarding the sale of the company assets. A sale was eventually completed on 24 June 2010 to Vernwood Limited

Prior to the sale we dealt with a number of creditors regarding their retention of title claims over goods they had supplied to the company. This involved meeting creditors on site to identify goods as well as assessing their terms and conditions of trade

The company employed 30 members of staff at the time of our initial involvement. Time has been spent liaising with members of staff regarding their claims for arrears of wages, holiday pay, pay in lieu of notice and redundancy which were sent to The Insolvency Service. This includes being in regular contact with The Insolvency Service regarding these claims. There were also a number of employees who had claims for pension contributions which had not been received

I have been in regular contact with HSBC Invoice Finance regarding the collection of outstanding debts

## **INVESTIGATION**

As liquidator, I was obliged to investigate the affairs of the company during the three years prior to insolvency. I would confirm that my confidential report was submitted to the Insolvency Service

## **PRE-APPOINTMENT REMUNERATION**

The board previously authorised the payment of a fee of £5,000 for assistance with the Statement of Affairs and producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 28 May 2010. Of this amount, £2,500 has been paid to the company's accountants Hamiltons for their assistance with the preparation of the Statement of Affairs. The remaining balance of £2,500 is due to Butcher Woods. This has not been drawn to date

## **LIQUIDATOR'S REMUNERATION**

My remuneration was previously authorised by creditors at a meeting held on 15 June 2010 to be drawn on a time cost basis. My time costs to date amount to £19,460. I have not drawn any fees to date. A schedule of my time costs incurred to date is attached as Appendix B

A description of the routine work undertaken in the liquidation to date is as follows

- 1 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 IPS
  - Review and storage
  - Case bordereau
  - Case planning and administration
  - Preparing reports to members and creditors
  - Convening and holding meetings of members and creditors

- 2 Cashiering
  - Maintaining and managing the liquidator's cashbook and bank account
  - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors
  - Dealing with creditor correspondence and telephone conversations
  - Preparing reports to creditors
  - Maintaining creditor information on IPS
  - Reviewing and adjudicating on proofs of debt received from creditors
- 4 Investigations
  - Review and storage of books and records
  - Prepare a return pursuant to the Company Directors Disqualification Act
  - Conduct 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
- 5 Realisation of Assets
  - Liaising with the company's bank regarding the closure of the account
  - Realisation of fixed assets

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' together with an explanatory note which shows Butcher Woods's fee policy are available at the link [www.butcher-woods.co.uk/creditors-information.php](http://www.butcher-woods.co.uk/creditors-information.php) A hard copy can be obtained on request from the address below

## **LIQUIDATOR'S EXPENSES**

My expenses to date amount to £1,049 No monies have been drawn to date in respect of these expenses

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

Professional Advisor	Nature of Work	Fee Arrangement
Deeley Mathews	Agents / Valuers	Set fee
P D Financial Management	Financial Advisors	Set fee

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

£1,500 has been paid to Deeley Mathews to date in respect of their valuation and advice relating to the sale of the physical assets

An amount of £2,000 has been paid to P D Financial Management for their investigations and advice relating to a pension scheme in place with the company

A payment of £513 has been made to an execution creditor regarding a distraint that was in place over company goods prior to my involvement

## **FURTHER INFORMATION**

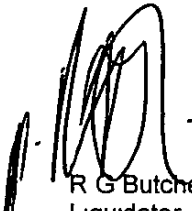
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may 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 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 book collection is complete. I estimate that this will be completed by the end of 2011. Once this issue has been dealt with I will be in a position to deal with the preferential claims submitted.

Should you have any queries regarding this matter please contact Dan Trinhham on 0121 236 6001.



R G Butcher  
Liquidator

**Enclosure**



**Midland Veneers Limited  
(In Liquidation)**

**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 15/06/2010 To 14/06/2011 £	From 15/06/2010 To 14/06/2011 £
<b>RECEIPTS</b>			
Book Debts	71,216 00	0 00	0 00
Plant & Machinery	30,000 00	28,500 00	28,500 00
Stock/WIP	500 00	0 00	0 00
Book Debts		76 73	76 73
Cash at Bank	2,532 00	2,488 78	2,488 78
Sundry Refund		290 59	290 59
		<u>31,356 10</u>	<u>31,356 10</u>
<b>PAYMENTS</b>			
Execution Creditor		513 38	513 38
Preparation of S of A		2,500 00	2,500 00
Agents/Valuers Fees (1)		3,500 00	3,500 00
Storage Costs		750 00	750 00
Statutory Advertising		226 80	226 80
Vat Receivable		960 78	960 78
		<u>8,450 96</u>	<u>8,450 96</u>
<b>BALANCE - 14 June 2011</b>			<u><u><b>22,905.14</b></u></u>

## Appendix B

### Midland Veneers Limited in Liquidation Summary of remuneration for period ending 24 June 2011

Classification of work	Partner	Manager	Administrator	Support	Total Hours	Time Cost £	Average Rate £/h
Administration and Planning	13 5		24 25	4	41 75	6,627 50	158 74
Investigations	4 5		10 5		15	2,415 00	161 00
Realisation of Assets	18		3		21	5,030 00	239 52
Trading							
Creditors	17 5		2 92	5 58	26	5,387 50	207 21
Total hours	53 5		40 67	9 58	103 75	19,460 00	187 57

#### Standard activity

#### Examples of work

Administration and planning

Case planning  
Administrative set up  
Appointment notification  
Maintenance of records  
Statutory reporting

Investigations

SIP 2 review  
CDDA reports  
Investigating antecedent transactions

Realisation of assets

Identifying, securing, insuring assets  
Retention of title  
Debt collection  
Property, business and asset sales

Trading

Management of operations  
Accounting for trading  
On-going employee issues

Creditors

Communication with creditors  
Creditors' claims (including employees' and other preferential creditors')

**Midland Veneers Limited In Liquidation**  
**Summary of category 2 disbursements for period ending 24 June 2011**

Type and purpose	£
Printing and photocopying	586 80
Postage	181 80
Bordereau	
Storage	
Room hire	
Registered office fee	
IPS charge	