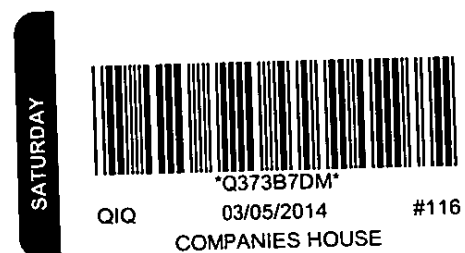


3296584

Liquidators' Final Report to Creditors



**Environmental Waste
Technology (Southern) Limited**
- In Compulsory Liquidation
1 May 2014

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1 Introduction

- 1 1 I, Stephen Powell of HJS Recovery, 12-14 Carlton Place, Southampton, Hampshire SO15 2EA, was appointed as Joint Liquidator of Environmental Waste Technology (Southern) Limited (the Company) on 18 June 2012, following the presentation of a petition for the compulsory winding up of the Company. The winding-up order was made on 18 June 2012 in the Bournemouth and Poole County Court under court reference number 167 of 2012. At the outset, the estimated asset values were uncertain with the anticipated liabilities calculated at £211,392.
- 1 2 This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1 3 The trading address of the Company was Little Acre, Ashley Lane, Ashley, New Milton, Hampshire, BH25 5AQ.
- 1 4 The registered office of the Company was changed to 12-14 Carlton Place, Southampton, Hampshire SO15 2EA and its registered number is 03296584.

2 Progress of the Liquidation

The position with regard to the assets remains as stated in my previous report dated 15 August 2013. The following is a reminder of the position.

Overdrawn Loan Account

- 2 1 The main asset of the Company was an overdrawn director's loan account in the sum of £172,339.
- 2 2 As previously advised a demand was issued to the director to repay the loan account; however, the director stated that he did not have sufficient funds to make an offer of settlement.
- 2 3 A review of the director's financial position was undertaken which concluded that there was insufficient surplus income to address the debt. The director's main asset consisted of a residential property which was heavily mortgaged and subject to a second charge in favour of HSBC Bank Plc. The property was valued and marketed for sale but it was clear that there was no equity after discharging the two secured creditors and taking into account the costs of sale. Consequently, no recovery has been possible in respect of the loan.

Office Equipment

- 2 4 There was a small amount of office equipment at liquidation but following consultation with an agent it was concluded that the costs of recovery exceeded the likely resale value and accordingly the equipment was abandoned
- 2 5 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 1 May 2014 with a comparison to the Official Receiver's Statement of Affairs values, together with a cumulative account since my appointment, which provides details of the remuneration charged and expenses incurred and paid by the Liquidators during the period of this report. This account has been reconciled with that which is held by the Secretary of State in respect of the winding up. Further information on the Liquidators' remuneration can be found in section 5 below

3 Investigations

- 3 1 As previously advised, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the liquidator to submit a report or return on the directors' conduct to the Department for Business Innovation and Skills, however where matters are brought to the liquidator's attention these are reported as appropriate to the Official Receiver for further consideration
- 3 2 I would confirm that 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 and that may need reporting to the Official Receiver. 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 did not reveal any issues requiring further report

4 Outcome for Creditors

Secured Creditors

- 4 1 HSBC Bank Plc holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness was estimated at £67,773. No claim has been agreed
- 4 2 The Company granted the floating charge to HSBC Bank Plc (formerly Midland Bank Plc) on 29 October 1998. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003

Preferential Creditors

- 4 3 There are no preferential creditors in relation to this assignment

Unsecured Creditors

- 4 4 I received claims totalling £2,173 from two creditors
- 4 5 I can confirm that in the absence of any realisations there are no funds to declare a dividend to the unsecured creditors

5 Liquidators' Remuneration

- 5 1 The basis of the Liquidators' remuneration has not been agreed by creditors
- 5 2 The time costs for the period from 18 June 2013 are £1,613 75 This represents 10 47 hours at an average rate of £154 13 per hour Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by this firm in managing the Liquidation I would confirm that no fees or disbursements have been drawn nor will any be taken
- 5 3 Also attached as Appendix C is a cumulative Time Analysis for the period from 18 June 2012 to 1 May 2014 which provides details of the total time costs since the date of appointment
- 5 4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-liquidators-fees-final.pdf>
- 5 5 Attached as Appendix D 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
- 5 6 Since the 18 June 2012 Category 2 disbursements totalling £121 68 in respect of business mileage have been incurred

6 Creditors' rights

- 6 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

- 6 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

7 Conclusion

- 7 1 This report has been laid before the final meetings of creditors and together with that meeting concludes this liquidation

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

Stephen Powell FCCA MABRP
Joint Liquidator

Enc

Environmental Waste Technology (Southern) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Appendix A

Statement of Affairs		From 18/06/2013 To 01/05/2014	From 18/06/2012 To 01/05/2014
	ASSET REALISATIONS		
Uncertain	Office Equipment	NIL	NIL
Uncertain	Overdrawn Directors Loan Account	NIL	NIL
		NIL	NIL
	COST OF REALISATIONS		
	O R Administration Fee	NIL	2,235 00
	DTI Banking Fee	66 00	150 00
	Petitioners Costs	NIL	(1,165 00)
		(66 00)	(1,220 00)
	FLOATING CHARGE CREDITORS		
(67,773 09)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(95,432 94)	Trade & Expense Creditors	NIL	NIL
(45,775 17)	HM Revenue and Customs	NIL	NIL
(1,410 56)	HM Revenue and Customs	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(211,391 76)		(66 00)	(1,220 00)
	REPRESENTED BY		
	ISA NIB		(1,220 00)
			(1,220 00)



Stephen Powell
Joint Liquidator

TIME AND CHARGE OUT SUMMARIES - 18 JUNE 2013 TO 1 MAY 2014

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration, Planning & Statutory Duties	0 50	0 00	3 00	1 30	4 80	£807 50	£168 23
Investigations	0 00	0 00	1 00	0 00	1 00	£175 00	£175 00
Realisations of assets	0 00	0 00	0 50	0 00	0.50	£87 50	£175 00
Creditors	0 00	0 00	0 00	0 00	0.00	£0 00	£0 00
Tax reviews	0 00	0 00	0 00	0 50	0 50	£62 50	£125 00
Closure	0 50	0 00	0 25	2 92	3 67	£481 25	£131 13
<u>Total</u>	<u>1 00</u>	<u>0 00</u>	<u>4 75</u>	<u>4 72</u>	<u>10 47</u>	<u>£1,613 75</u>	<u>£154 13</u>
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			
Previous Chargeout rates	£275 - £500	£150 - £200	£125	£50 - £105			

TIME AND CHARGE OUT SUMMARIES - 18 JUNE 2012 to 1 MAY 2014

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration, Planning & Statutory Duties	1 25	0 00	5 90	15 70	22 85	£2,714 50	£118 80
Investigations	1 00	0 00	1 00	0 00	2 00	£525 00	£262 50
Realisations of assets	1 00	0 00	4 95	0 00	5 95	£1,216 25	£204 41
Creditors	0 00	0 00	0 75	3 25	4 00	£375 00	£93 75
Tax reviews	0 00	0 00	0 00	0 99	0 99	£106 00	£107 07
Closure	0 50	0 00	0 25	2 92	3 67	£481 25	£131 13
Total	3 75	0 00	12 85	22 86	39 46	£5,418 00	£137 30
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			
Previous Chargeout rates	£275 - £500	£150 - £200	£125	£50 - £105			

Appendix D

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

Policy

Detailed below is HJS Recovery's policy in relation to

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

Staff allocation and the use of subcontractors

The 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, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We have not utilised the services of any sub-contractors in this case.

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
Asset Recovery and Insolvency LLP (asset advice)	No charge
Paris Smith LLP (legal fees re charging order)	Time Costs

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.

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 disbursements can include costs incurred by HJS Recovery for the provision of services which include an element of recharged overhead, for example, room hire, document storage or business mileage. On this case the following Category 2 disbursements have been incurred since appointment.

Type & Purpose	£
Business Mileage	121.68
Total	121.68

Charge-out Rates

A schedule of HJS Recovery's charge-out rates for this assignment effective from 31 May 2011 is detailed below.

	£
Insolvency Practitioners	350
Senior Managers & Managers	200 - 275
Supervisors	150 - 175
Administrators and Support Staff	50 - 125

Specialist departments within HJS accountants, such as Tax, VAT and Pensions, do sometimes charge a small number of hours to an assignment, should the Insolvency Partners require their expert advice. Their rates do vary however, the figures given below provide an indication of the rates charged per hour.

	£
Directors	110 - 175
Senior Managers & Managers	82 - 120
Supervisors	42 - 70
Administrators and Support Staff	20 - 40

Please note that we reserve the right to amend these rates from time to time during the course of the assignment. However, any material amendments to these rates will be advised to creditors in the next statutory report. Please note that this firm records its time in minimum units of 6 minutes.

Appendix E

An indication of the tasks undertaken by the Joint Liquidators and their staff are detailed below

Administration and Planning

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of appointment to creditors,
- Reviewing available information to determine appropriate strategy,
- Setting up case files,
- Setting up and maintaining bank accounts
- Progress reviews of the case
- Statutory reporting to creditors

Realisation of Assets

Please refer to section 2 of the report, but in summary the time spent includes

- Liaising with agents & solicitors
- Debt collection

Creditors

- Recording and maintaining the list of creditors,
- Recording creditor claims,
- Dealing with creditor queries,
- Reviewing and evaluating creditor claims and providing responses

Investigations

- Review of available records in order to assess if more detailed investigation is required,

- Questioning of directors and other key personnel,

Tax Reviews

- Completion of post-appointment VAT returns and Corporation Tax returns