

## The Insolvency Act 1986

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

To the Registrar of Companies

For Official Use

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Company Number

03321873

Name of Company

ABS (Decorators) Limited

I / We  
David Elliott  
Victory House  
Quayside  
Chatham Maritime  
Kent ME4 4QUthe liquidator(s) of the company attach a copy of my/our progress report  
under section 192 of the Insolvency Act 1986

Signed \_\_\_\_\_ Date \_\_\_\_\_

Moore Stephens LLP  
Victory House  
Quayside  
Chatham Maritime  
Kent ME4 4QU

Ref C63083/SFS/DJS/LJC

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Insolvency Sect. | Post Room

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COMPANIES HOUSE

**ABS (Decorators) Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 22/09/2010 To 21/09/2011
	<b>FINANCED ASSET 1</b>	
73,994 00	Book Debts	46,258 75
(53,000 00)	SME Invoice Finance	(5,659 08)
		<u>40,599 67</u>
	<b>FINANCED ASSET 2</b>	
	Factors collect-out fee	<u>33,793 80</u>
		(33,793 80)
	<b>FINANCED ASSET 3</b>	
250,000 00	Freehold Property	NIL
(208,235 00)	HSBC Bank Plc	NIL
		<u>NIL</u>
	<b>ASSET REALISATIONS</b>	
3,000 00	Plant, Machinery & Tools	2,000 00
250 00	Office Furniture & Equipment	166 67
8,500 00	Motor Vehicles	5,666 66
250 00	Stock	166 67
10,000 00	Work In Progress	NIL
	Rental Income	600 00
	Trade Debtors	345 18
	Vehicle License Repayment	<u>63 33</u>
		9,008 51
	<b>OTHER REALISATIONS</b>	
	Interest Gross of Tax	<u>0 20</u>
		0 20
	<b>COSTS OF REALISATION</b>	
	IT Support Services	<u>350 00</u>
		(350 00)
	<b>COSTS OF ADMINISTRATION</b>	
	Insurance	3,921 60
	Statutory Advertising	226 80
	Storage Costs	572 00
	Office Holders Outlays	<u>63 63</u>
		(4,784 03)
	<b>PREFERENTIAL CREDITORS</b>	
(9,868 00)	Employees Wage Arrears	<u>NIL</u>
		NIL
	<b>UNSECURED CREDITORS</b>	
(294,017 00)	Trade & Expense Creditors	NIL
(58,311 00)	Employees	NIL
(58,888 00)	Directors	NIL
(205,248 00)	H M Revenue & Customs (PAYE/CT)	<u>NIL</u>
		NIL
	<b>CONTRIBUTORIES</b>	
(1,000 00)	Ordinary Shareholders	NIL

**ABS (Decorators) Limited  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 22/09/2010 To 21/09/2011
	NIL
<b>(542,573.00)</b>	<b>10,680 55</b>
REPRESENTED BY	
VAT Receivable	7,014 04
Bank 2 - Current (F)	(2,542 31)
Bank 2 - Deposit (F)	6,208 82
	<b>10,680 55</b>
	David Elliott Liquidator

# **MOORE STEPHENS**

**Strictly Private & Confidential**

**ABS (DECORATORS) LIMITED ("THE COMPANY")**

**Report to the members and creditors in accordance with Rule 4.49C CVL of the Insolvency Rules 1986**

**21 October 2011**

Moore Stephens LLP  
Victory House  
Quayside  
Chatham Maritime  
Kent ME4 4QU

Tel 01634-895100  
Fax 01634 895101

## **Contents**

- 1 Statutory information
- 2 Progress to date
- 3 Investigations
- 4 Liquidator's remuneration and category 2 disbursements
- 5 Liquidator's expenses
- 6 Creditors' rights
- 7 Liabilities

## **Appendices**

- Appendix I Receipts and payments account for the period 22 September 2010 to 21 September 2011
- Appendix II Breakdown of time costs and category 2 disbursements

This report is intended for use by those parties entitled to a copy thereof under Rule 4.49C CVL of the Insolvency Rules 1986. It may contain information that is privileged confidential or exempt from disclosure and any dissemination distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

David Elliott is authorised in the UK to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

## **1 Statutory information**

Company name	ABS (Decorators) Limited
Company number	03321873
Registered office	Victory House, Quayside Chatham Maritime Kent ME4 4QU
Date of appointment	22 September 2010
Liquidator	David Elliott
Liquidator's address	Victory House Quayside Chatham Maritime Kent ME4 4QU

## **2 Progress to date**

- 2 1 The receipts and payments account attached in Appendix I details the asset realisations to date
- 2 2 The Company utilised the services of SME Invoice Finance ("SME") for factoring its sales ledger. I would advise that SME have now discharged their debt from debtor realisations and the remaining ledger has now been reassigned to the Company together with the net sum of £6,806 representing the VAT recoverable on the collect out fees charged by the factors. Debtors totalling £13,015 have been re-assigned to the Company and collection agents have been appointed to assist with the remaining debtor accounts, which are being pursued.
- 2 3 Other realisations total £9,009, and comprise plant and machinery of £2,000, office equipment of £167, motor vehicles of £5,667, stock of £167, rental income of £600, non-factored debtors of £345 and a vehicle licence repayment of £63.
- 2 4 Following my appointment, negotiations were entered into with Assured Building Specialists Limited ("ABSL"), a Company in which the Director Iain Atkins held an interest. Edward Symmons LLP were appointed agents for the Company, and an agreement was reached for the hire of the Company's assets, with the receipt of the final payment transferring title to the assets to the purchaser. This agreement was signed on 11 October 2010 and two payments were received by Edward Symmons totalling £600 plus VAT. I am unaware as to whether the purchaser undertook their own valuation advice. I would advise that ABSL ceased to trade and entered creditors' voluntary liquidation on 13 April 2011, prior to the completion of the sale agreement. Accordingly, the assets were secured and a sale to an unconnected third party by Edward Symmons was completed on behalf of the Company.
- 2 5 The freehold property located at 1a Christchurch Road, Ashford is being marketed for sale by Edward Symmons LLP in conjunction with local estate agents. I would advise that my agents have advised that due to the nature of the property together with the inherent depressed market conditions, they envisage a marketing period in excess of 12 months may be required to realise the property. Regular updates are received in respect of the marketing and alternative options for realisation are being reviewed.

## **3 Investigations**

- 3 1 An appropriate report/return on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business Innovation & Skills (formerly the Department of Business Enterprise & Regulatory Reform) in accordance with the liquidator's statutory duties. Please note that the content of this report/return are of a privileged and confidential nature and so cannot be disclosed to third parties.

## **4 Liquidator's remuneration and category 2 disbursements**

- 4 1 At the initial meeting of creditors held on 22 September 2010, the following resolutions were passed:
- That the fee for convening the meeting of creditors and preparing the Statement of Affairs, to be paid from the assets of the Company, be fixed at £7,500 plus VAT and disbursements as follows:

**Rule 4 38**

Preparation of statement of affairs in statutory form by HCW Recovery Solutions LLP	£2,500
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**Rule 4 62**

Summoning, advertising and holding of creditors' meeting by HCW Recovery Solutions LLP	£2,500
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General advice in connection with the liquidation proceedings by HCW Recovery Solutions LLP	£2,500
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Total	£7,500
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- That the remuneration of the liquidator be fixed by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation in accordance with Rule 4 127(2)(b) of the Insolvency Rules 1986
- The liquidator shall be authorised to draw his firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage and room hire, as and when funds permit

4 2 The time costs incurred to date have arisen primarily as a result of dealing with the realisation of assets. In addition we have dealt with the statutory functions required under the Insolvency Act and Rules and also enquiries from creditors.

4 3 A detailed breakdown of liquidator's time costs and category 2 disbursements, together with current charge out rates is attached in Appendix II. No liquidator's fees have been drawn to date.

The Statement of affairs fees of £7,500 remain outstanding pending further realisations.

4 4 Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone.

**5 Liquidator's expenses**

5 1 In addition to the disbursements incurred, I have also discharged agents costs in the sum of £350. This relates to an invoice raised by MacMillan Browne Limited in respect of IT Support Services received from them.

**6 Creditors' rights**

6 1 Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the court may request in writing that the liquidator provide further information about his remuneration or expenses which have been itemised in the progress report.

Within 14 days of receipt of the request, I must provide all of the information asked for, except so far as I consider that

- the time or cost of preparation of the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the liquidation it might reasonably be expected to lead to violence against any person, or
- I am subject to an obligation of confidentiality in respect of the information.

I am also required to give reasons for not providing all of the requested information.

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 the basis fixed for the liquidator's remuneration, the remuneration charged, or the expenses incurred by the liquidator as set out in the progress report are excessive.

**7 Liabilities**

**7.1 Secured creditors**

HSBC Bank plc hold a fixed and floating charge debenture over the assets of the company which was created on 30 March 1999 and registered at Companies House on 1 April 1999. As the charge pre-dates 15 September 2003, the prescribed part rules do not apply.

HSBC Bank plc hold a legal mortgage which was created on 24 November 1999 and registered at Companies House on 1 December 1999.

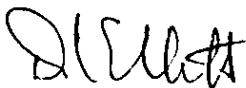
SME Invoice Finance Limited held a debenture which was created on 31 August 2010 and registered at Companies House on 7 September 2010. They held a fixed charge over the company's book debts and have been discharged in full from book debt realisations.

**7.2 Preferential creditors**

Preferential creditor claims received to date in respect to employee arrears of pay and holiday pay total £9,032 against a statement of affairs figure of £9,868.

**7.3 Unsecured creditors**

All creditors have been advised of the liquidation and invited to send details of the claim in the proceedings. To date, I have received 40 non-preferential claims totalling £451,838 against £616,464 shown in the statement of affairs. There remain a number of creditors who have not yet submitted their claim and I would invite them to do so by completing and returning the proof of debt form attached. At this stage in proceedings, it appears unlikely that a dividend will become payable to any class of creditor.



David Elliott  
Liquidator



**ABS (Decorators) Limited**  
**(In Liquidation)**  
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	<b>FINANCED ASSET 3</b>		
250,000 00	Freehold Property	NIL	NIL
(208,235 00)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
3,000 00	Plant, Machinery & Tools	2,000 00	2,000 00
250 00	Office Furniture & Equipment	166 67	166 67
8,500 00	Motor Vehicles	5,666 66	5,666 66
250 00	Stock	166 67	166 67
10,000 00	Work In Progress	NIL	NIL
	Rental Income	600 00	600 00
	Trade Debtors	345 18	345 18
	Vehicle License Repayment	63 33	63 33
		9,008 51	9,008 51
	<b>OTHER REALISATIONS</b>		
	Interest Gross of Tax	0 20	0 20
		0 20	0 20
	<b>COSTS OF REALISATION</b>		
	IT Support Services	350 00	350 00
		(350 00)	(350 00)
	<b>COSTS OF ADMINISTRATION</b>		
	Insurance	3,921 60	3,921 60
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	Office Holders Outlays	63 63	63 63
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	<b>PREFERENTIAL CREDITORS</b>		
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(205,248 00)	H M Revenue & Customs (PAYE/CT)	NIL	NIL
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	<b>CONTRIBUTORIES</b>		
(1,000 00)	Ordinary Shareholders	NIL	NIL

**ABS (Decorators) Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

<b>Statement of Affairs</b>	<b>From 22/09/2010 To 21/09/2011</b>	<b>From 22/09/2010 To 21/09/2011</b>
	NIL	NIL
<b>(542,573.00)</b>	<b>10,680 55</b>	<b>10,680 55</b>
REPRESENTED BY		
VAT Receivable		7,014 04
Bank 2 - Current (F)		(2,542 31)
Bank 2 - Deposit (F)		6,208 82
		<b>10,680.55</b>

## Appendix II Breakdown of time costs and category 2 disbursements

### Summary of Moore Stephens' time-costs from 22/09/2010 to 21/09/2011

	Partner / Associate	Director / Manager	Admin	Support Staff	Total Hours	Time Cost (£)	Av rate £/h
Statutory compliance, administration and planning	1 30	1 55	18 15	10 95	31 95	3,553 70	111 23
Investigations		3 45		2 05	5 50	599 50	109 00
Realisation of assets	6 00		14 75	1 90	22 65	3 972 60	175 39
Creditors	3 25	0 30	22 65	8 25	34 45	4,075 40	118 30
<b>Total hours</b>	<b>14 85</b>	<b>5 30</b>	<b>56 25</b>	<b>23 25</b>	<b>99 45</b>		
<b>Total fees claimed</b>	<b>5,117 00</b>	<b>859 75</b>	<b>6,236 45</b>	<b>1 482 60</b>		<b>13,695 80</b>	<b>137 72</b>

### Charge out rates per hour -

Rates effective from 1st-Nov-2010

Partner/ Associate	£310-£500
Manager	£125-£290
Administrator	£78-£115
Support	£30-£109

Time charged in 3 minute units or multiples thereof

### Examples of work generally undertaken but not limited to

#### Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records

#### Realisation of assets

- Identifying, securing insuring assets
- Retention of title
- Property, business and asset sales
- Debt collection
- Corporation tax reclaim

#### Creditors

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

#### Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

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**Summary of Moore Stephens' disbursements from 22/09/2010 to 21/09/2011**

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Costs incurred  
£

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**Moore Stephens' disbursements - Category 1**

Bond	158 00
Advertising	226 80
Car mileage	49 63
Travel	2 00
Searches	12 00
Sub total	<u>448 43</u>

**Moore Stephens' disbursements - Category 2**

Photocopying/Printing	-
Fax	-
Colour photocopying	-
Storage	-
Room hire	-
Sub total	<u>-</u>

Disbursements drawn on account	<u><u>290 43</u></u>
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Disbursements outstanding	158 00
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**Category 2 disbursement rates -**

Type	Rate
Photocopying/printing	£0 15 per sheet
Fax	£0 40 per sheet
Colour photocopying	£2 50 per sheet
Storage - standard box	£3 90 per box per quarter (min £30 per quarter)
Room hire	£30-£50 per hour