

# 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

03321873

Name of Company


ABS (Decorators) Limited

I / We  
David Elliott  
Victory House  
Quayside  
Chatham Maritime  
Kent ME4 4QU

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 22/09/2012 to 21/09/2013

Signed



Date

20/11/13

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

Ref C63083/SFS/DJS/LJC

THURSDAY



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21/11/2013

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COMPANIES HOUSE

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

Statement of Affairs		From 22/09/2012 To 21/09/2013	From 22/09/2010 To 21/09/2013
	<b>FINANCED ASSET 1</b>		
73,994 00	Book Debts	NIL	46,258 75
(53,000 00)	SME Invoice Finance	NIL	(5,659 08)
		NIL	40,599 67
	<b>FINANCED ASSET 2</b>		
	Factors collect-out fee	NIL	33,793 80
		NIL	(33,793 80)
	<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	NIL	2,000 00
250 00	Office Furniture & Equipment	NIL	166 67
8,500 00	Motor Vehicles	NIL	5,666 66
250 00	Stock	NIL	166 67
10,000 00	Work In Progress	NIL	NIL
	Rental Income	NIL	600 00
	Trade Debtors	NIL	345 18
	Vehicle License Repayment	NIL	63 33
		NIL	9,008 51
	<b>OTHER REALISATIONS</b>		
	Interest Gross of Tax	5 57	13 60
		5 57	13 60
	<b>COSTS OF REALISATION</b>		
	IT Support Services	NIL	350 00
		NIL	(350 00)
	<b>COSTS OF ADMINISTRATION</b>		
	Insurance	NIL	6,087 78
	Stationery & Postage	57 81	57 81
	Statutory Advertising	NIL	226 80
	Specific Penalty Bond	NIL	158 00
	Storage Costs	514 80	1,944 80
	Office Holders Outlays	NIL	65 63
		(572 61)	(8,540 82)
	<b>PREFERENTIAL CREDITORS</b>		
(9,868 00)	Employees Wage Arrears	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(294,017 00)	Trade & Expense Creditors	NIL	NIL
(58,311 00)	Employees	NIL	NIL
(58,888 00)	Directors	NIL	NIL
(205,248 00)	H M Revenue & Customs (PAYE/CT)	NIL	NIL
		NIL	NIL

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

Statement of Affairs		From 22/09/2012 To 21/09/2013	From 22/09/2010 To 21/09/2013
(1,000 00)	CONTRIBUTORIES		
	Ordinary Shareholders	NIL NIL	NIL NIL
<hr/> (542,573 00)		<hr/> (567.04)	<hr/> 6,937 16
REPRESENTED BY			
	VAT Receivable		43 56
	Bank 2 - Current (F)		6,893 60
			<hr/> 6,937 16



David Elliott  
Liquidator

**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**

**20 November 2013**

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

Tel 01634-895100  
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## **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 2012 to 21 September 2013
- Appendix II Breakdown of time costs and category 2 disbursements
- Appendix III Schedule of expenses incurred during the period

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	Moore Stephens LLP 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 only realisations in the period under review is the sum of £5 57 in respect of Bank Interest My earlier reports detail the asset realisations to date
- 2 3 The Company owns a freehold property at 1a Chnstchurch Road, Ashford which it formally traded from The property is mortgaged with HSBC Bank Plc ("HSBC"), and the statement of affairs detailed an estimated value of £250,000 with HSBC owed £208,235, providing an estimated £41,765 of realisable equity
- 2 4 Following my appointment, the property was let to Assured Building Specialists Limited ("ABSL"), with a further smaller element let to a third party It was envisaged that ABSL would purchase that property at a later date, but unfortunately both this and the smaller entity ceased to trade and have subsequently entered creditors' voluntary liquidation Accordingly, steps were taken to market the property through Edward Symmons LLP in conjunction with local estate agents As previously advised, due to the poor market conditions and the 'bespoke' nature of the property, it was anticipated that a prolonged period of marketing would be required in order to sell the property Three offers have been received from interested parties over the last three years with each offer falling materially short of the estimated value of £250,000 In June this year an offer of £200,000 was received and accepted for the property Solicitors were instructed and the sale progressed to the stage where contracts were agreed However, towards the end of September, we were advised that the purchaser had withdrawn and the sale collapsed
- 2 5 Following confirmation that the sale had collapsed, steps have now been taken to place the property into auction once again and it is hoped that the property will sell at an auction before the end of the year This will enable the liquidation to be brought to a close
- 2 6 The statement of affairs also listed factored book debts with a book value of £406,365 and estimated to realise £73,994, subject to a charge from SME Invoice Finance ("SME") of £53,000 To date £46,258 75 has been realised, with £39,452 87 paid to SME under their charge I would advise that bad debts relating to Connaught and Facilitas Ensure resulted in a significant reduction in the debtors ledger, and following reassignment, the invoices remaining related to three main customers totalling £13,345 62 Attempts were made to collect these debts but these have been frustrated due to a lack of information, counterclaims and disputes No further book debts recoveries are anticipated

## **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 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, the convening practitioner	£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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<b>Total</b>	<b>£7,500</b>
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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 fee for convening the meeting of creditors and preparing the statement of affairs remains outstanding. Although there are sufficient funds with which to discharge these costs, the ongoing premises costs will diminish the funds held until the property has been sold.

4.3 The time costs incurred to date have arisen primarily as a result of dealing with agents regarding the realisation of the property and liaising with the insurers and HSBC regarding updates and taking instructions. In addition we have dealt with the statutory functions required under the Insolvency Act and Rules and also enquires from creditors.

4.4 A detailed breakdown of liquidator's time costs and category 2 disbursements, together with current charge out rates is attached in Appendix II. To date, no fee's have been drawn.

4.5 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 A schedule of all expenses incurred in the period have been detailed in Appendix III.

**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 or 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 securing their lending 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 2011. The debenture was a fixed charge over the book debts and this has been discharged in full from book debt realisations.

### 7.2 Preferential creditors

The statement of affairs showed preferential creditors of £9,032 in respect of employee claims for arrears of pay and holiday pay. A claim of £9,031.72 has been received from The National Insurance Fund, and additional claims of £2,686.18 have been calculated relating to additional employee claims. No payment has been made to preferential creditors.

### 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 49 non-preferential claims totalling £457,867.51 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 to my earlier report. It is not forecast that a dividend will become payable to any class of unsecured creditor.



David Elliott  
Liquidator

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## Liquidator's receipts and payments account

## ABS (Decorators) Limited (In Liquidation)

	Statement of affairs £	From 22/09/2012 To 21/09/2013 £	From 22/09/2010 To 21/09/2013 £
<b>RECEIPTS</b>			
Book Debts	73,994 00	0 00	46,258 75
Freehold Property	250,000 00	0 00	0 00
Plant, Machinery & Tools	3,000 00	0 00	2,000 00
Office Furniture & Equipment	250 00	0 00	166 67
Motor Vehicles	8,500 00	0 00	5,666 66
Stock	250 00	0 00	166 67
Work In Progress	10,000 00	0 00	0 00
Rental Income		0 00	600 00
Trade Debtors		0 00	345 18
Vehicle License Repayment		0 00	63 33
Interest Gross of Tax		5 57	13 60
		<u>5 57</u>	<u>55,280 86</u>
<b>PAYMENTS</b>			
SME Invoice Finance		0 00	5,659 08
Factors collect-out fee		0 00	33,793 80
IT Support Services		0 00	350 00
Insurance		0 00	6,087 78
Stationery & Postage		57 81	57 81
Statutory Advertising		0 00	226 80
Specific Penalty Bond		0 00	158 00
Storage Costs		514 80	1,944 80
Office Holders Outlays		0 00	65 63
		<u>572 61</u>	<u>48,343 70</u>
Net Receipts/(Payments)		<u>(567 04)</u>	<u>6,937 16</u>
<b>MADE UP AS FOLLOWS</b>			
VAT Receivable			43 56
Bank 2 - Current (F)			6,893 60
Bank 2 - Deposit (F)			0 00
			<u>6,937 16</u>

## Breakdown of time costs and category 2 disbursements

## ABS (Decorators) Limited - In Voluntary Liquidation

## Summary of Moore Stephens' time-costs from 22/09/2012 to 21/09/2013

	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av rate £/h
Statutory compliance, administration and planning	0 15	2 40	1 65	6 05	10 25	1 327 85	129 55
Investigations		-		1 00	1 00	78 00	78 00
Realisation of assets	0 30	-	5 00		5 30	711 75	134 29
Creditors	0 45	0 10	5 20		5 75	803 75	139 78
<b>Total hours</b>	<b>0 90</b>	<b>2 50</b>	<b>11 85</b>	<b>7 05</b>	<b>22 30</b>		
<b>Total time costs £</b>	<b>333 75</b>	<b>475 00</b>	<b>1 408 50</b>	<b>704 10</b>		<b>2 921 35</b>	<b>131 00</b>

## Summary of Moore Stephens' time-costs from 22/09/2010 to 21/09/2013

	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av rate £/h
Statutory compliance, administration and planning	2 50	5 40	22 05	23 35	53 30	6 382 65	119 75
Investigations		3 45	-	3 05	6 50	877 50	104 23
Realisation of assets	6 65		22 55	1 90	31 10	5 132 35	165 03
Creditors	4 20	0 50	34 50	10 95	50 15	5 942 70	118 50
<b>Total hours</b>	<b>13 35</b>	<b>9 35</b>	<b>79 10</b>	<b>39 25</b>	<b>141 05</b>		
<b>Total time costs £</b>	<b>4 704 75</b>	<b>1 621 50</b>	<b>8 900 15</b>	<b>2 908 80</b>		<b>18 135 20</b>	<b>128 57</b>

Total remuneration drawn on account

-

## Charge out rates -

Rates effective from	1st-Nov-2012	1st Nov-2010
Partner/ Associate	£320-£530	£310-£510
Director / Manager	£155-£300	£150-£290
Administrator	£55-£155	£53-£150
Support staff	£30-£115	£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

## Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

## Realisation of assets

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

## Creditors

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

## Breakdown of time costs and category 2 disbursements continued

## ABS (Decorators) Limited - In Voluntary Liquidation

## Summary of Moore Stephens disbursements

	Undrawn costs brought forward from previous period(s) £	This period 22/09/2012 to 21/09/2013		Cumulative 22/09/2010 to 21/09/2013	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Car mileage	-	-		49 63	49 63
Total				49 63	
Total undrawn costs to carry forward					49 63

## Category 2 disbursement rates -

Type	Rate
Car mileage	£0 45 per mile maximum
Photocopying/printing	£0 15 per sheet
Colour photocopying	£2 50 per sheet
Fax	£0 40 per sheet
Storage standard box	£3 90 per box per quarter (min £30 per quarter)
Room hire	£30-£50 per hour

## Summary of accrued and drawn costs

## ABS (Decorators) Limited - In Voluntary Liquidation

Cost Description	Undrawn costs brought forward from previous period(s) £	This period 22/09/2012 to 21/09/2013		Cumulative 22/09/2010 to 21/09/2013	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
IT Support Services	-	-	-	350 00	350 00
Legal fees & expenses	-	2,000 00	-	2,000 00	-
Insurance	2,328 66	6,248 50	-	14,664 94	6,087 78
Postage	57 81	-	-	57 81	57 81
Statutory advertising	-	-	-	226 80	226 80
Specific penalty bond	-	-	-	158 00	158 00
Travel	-	-	-	2 00	2 00
Land registry & company search fees	-	-	-	14 00	14 00
Storage costs	-	514 80	514 80	1,944 80	1,944 80
Total	2,386 47	8,763 30	514 80	19,418 35	8,841 19
Total undrawn costs to carry forward					10,577 16

## Summary of professional services

Professional advisor	Nature of work	Fee arrangement
Edward Symmons LLP	Valuers and surveyors	3% sales commission plus expenses
MacMillan Browne Limited	Data backup	Fixed fee
JLT Speciality Ltd	Insurance brokers	Risk based premium
TLT LLP	Solicitors - Conveyancing on property sale	Fixed fee