

**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 22/09/2013 to 21/09/2014

Signed



Date

19/11/14

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

Ref C63083/DRE/DJS/LJC

THURSDAY



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20/11/2014

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COMPANIES HOUSE

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

Statement of Affairs	From 22/09/2013 To 21/09/2014	From 22/09/2010 To 21/09/2014
	FIXED CHARGE COSTS	
	Agents Fees & Expenses	
	5,465 34	5,465 34
	(5,465 34)	(5,465 34)
	FINANCED ASSET 1	
73,994 00	Book Debts	46,258 75
(53,000 00)	SME Invoice Finance	(5,659 08)
	NIL	40,599 67
	FINANCED ASSET 2	
	Factors collect-out fee	
	NIL	33,793 80
	NIL	(33,793 80)
	FINANCED ASSET 3	
250,000 00	1A Christchurch Road, Ashford	278,000 00
(208,235 00)	HSBC Bank Plc	(230,954 00)
	47,046 00	47,046 00
	FINANCED ASSET 4	
	Legal Fees	2,926.04
	Agents Commission	8,840 00
	(11,766 04)	(11,766 04)
	ASSET REALISATIONS	
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	63.33
	NIL	9,008.51
	OTHER REALISATIONS	
	Interest Gross of Tax	
	17 27	30.87
	17 27	30.87
	COSTS OF REALISATION	
	Agents Fees & Expenses	2,203 58
	IT Support Services	NIL
	(2,203 58)	(2,553 58)
	COSTS OF ADMINISTRATION	
	Preparation of S of A	7,500 00
	Bank Charges	34 80
	Corporation / Income Tax	1 41
	Insurance	8,518 22
	Stationery & Postage	NIL
	Statutory Advertising	NIL
	Specific Penalty Bond	NIL
	Storage Costs	686 40
	Office Holders Outlays	NIL
		65 63

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

Statement of Affairs		From 22/09/2013 To 21/09/2014	From 22/09/2010 To 21/09/2014
		(16,740 83)	(25,281 65)
	PREFERENTIAL CREDITORS		
(9,868 00)	Employees Wage Arrears	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	UNSECURED CREDITORS		
(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)	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	CONTRIBUTORIES		
(1,000 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(542,573.00)</u>		<u>10,887.48</u>	<u>17,824.64</u>
	REPRESENTED BY		
	Bank 2 - Current (F)		17,824 64
			<u>17,824.64</u>

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

19 November 2014

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 2013 to 21 September 2014 |
| 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 Realisations in the period comprise £278,000 in respect of the freehold property and £17 27 of gross bank interest. My earlier reports detail the previous asset realisations to date.
- 2 3 The Company owned a freehold property at 1a Christchurch Road, Ashford which it formally traded from. The property was 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 were received from interested parties over the last three years with each offer falling materially short of the estimated value of £250,000. In June last 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 2013, we were advised that the purchaser had withdrawn and the sale collapsed.
- 2 5 Accordingly, steps were taken to place the property into auction once again and the property was successfully sold for the sum of £278,000. This sum far exceeded pre-auction estimates and enabled HSBC to be repaid in full with interest, and following taking into account the costs of sale and property management since appointment, a small surplus was available for the Liquidation.
- 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. The sum of £46,258 75 was 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 were frustrated due to a lack of information, counterclaims and disputes. As expected no further book debts recoveries were made.
- 2 7 All asset realisations have been completed, and accordingly, closing procedures have now been instigated.

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 is of a 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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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 their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, document 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 agents regarding the realisation and management of the freehold property, dealing with enquiries from the chargeholder and other creditors, and dealing with the statutory functions required under the Insolvency Act and Rules

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

4.4 The Statement of Affairs fees of £7,500 due to HCW Recovery have been discharged in full. The balance of funds held will be utilised to defray my firm's outstanding fees and the costs of closure

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 has been detailed in Appendix III

5.2 MacMillan Browne Limited were appointed to assist with the collation and retrieval of the Company's books and records, and the backup of the electronic records. They have been paid a total of £750.40 in respect of these services

5.3 ES Group were instructed to assist with the marketing, sale and management of the freehold property. They have been paid a total of £16,158.92 in respect of their costs, which includes commission on the sale

5.4 JLT Speciality Limited were instructed to act as insurance brokers and undertake health and safety/fire assessments of the freehold property to meet the requirements from insurers. Their fees of £14,956 have been discharged in full

5.5 Invicta Archive Storage Limited were instructed to provide storage for the Company's physical books and records. They have been paid the sum of £2,402.40 in respect of these services to date

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 is 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

Following the sale of the freehold property, HSBC were paid the sum of £230,954 in settlement of their debt under their fixed charges

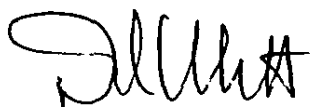
SME Invoice Finance Limited held a debenture which was created on 31 August 2010 and registered at Companies House on 7 September 201 The debenture was a fixed charge over the book debts and this has been discharged in full from book debt realisations

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 Due to the level of asset realisations, no dividend is possible 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 54 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, however due to the level of realisations in the liquidation, it is not possible to declare a dividend unsecured creditors



David Elliott
Liquidator

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Liquidator's receipts and payments account

ABS (Decorators) Limited (In Liquidation)

	Statement of affairs £	From 22/09/2013 To 21/09/2014 £	From 22/09/2010 To 21/09/2014 £
RECEIPTS			
Book Debts	73,994 00	0 00	46,258.75
1A Christchurch Road, Ashford	250,000.00	278,000.00	278,000.00
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		17 27	30.87
		<u>278,017 27</u>	<u>333,298.13</u>
PAYMENTS			
Agents Fees & Expenses		5,465.34	5,465.34
SME Invoice Finance		0 00	5,659.08
Factors collect-out fee		0 00	33,793.80
HSBC Bank Plc		230,954.00	230,954.00
Legal Fees		2,926.04	2,926.04
Agents Commission		8,840.00	8,840 00
Agents Fees & Expenses		2,203.58	2,203.58
IT Support Services		0.00	350.00
Preparation of S of A		7,500.00	7,500.00
Bank Charges		34 80	34.80
Corporation / Income Tax		1 41	1.41
Insurance		8,518 22	14,606 00
Stationery & Postage		0.00	57 81
Statutory Advertising		0 00	226.80
Specific Penalty Bond		0.00	158 00
Storage Costs		686 40	2,631.20
Office Holders Outlays		0.00	65.63
		<u>267,129.79</u>	<u>315,473.49</u>
Net Receipts/(Payments)		<u>10,887 48</u>	<u>17,824 64</u>
MADE UP AS FOLLOWS			
VAT Receivable			0 00
Bank 2 - Current (F)			17,824.64
			<u>17,824.64</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 85	8 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
Total hours	0 90	2 50	11 85	7 05	22 30		
Total time costs £	333 75	475 00	1 408 50	704 10		2 921 35	131 00

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 85	119 75
Investigations	-	3 45	-	3 05	6 50	677 50	104 23
Realisation of assets	8 65	-	22 55	1 90	31 10	5 132 35	165 03
Creditors	4 20	0 50	34 50	10 85	50 15	5,942 70	118 50
Total hours	13 35	9 35	79 10	39 25	141 05		
Total time costs £	4 704 75	1,821 50	8,900 15	2 908 80		18,135 20	128 57

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	49.63
Total undrawn costs to carry forward					-

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 Liquidation

Cost Description	Undrawn costs brought forward from previous period(s)	This period 22/09/2013 to 21/09/2014		Cumulative 22/09/2010 to 21/09/2014	
	£	Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
IT Support Services	-	-	-	350 00	350 00
Agents fees & expenses	-	16,508 92	16,508 92	16,508 92	16,508 92
Legal fees & expenses	2,000 00	926 04	2,926 04	2,926 04	2,926 04
Insurance	-	8,518 22	8,518 22	14,606 00	14,606 00
Postage	-	-	-	57 81	57 81
Statutory advertising	-	-	-	226 80	226 80
Specific penalty bond	-	-	-	158 00	158 00
Travel	-	-	-	2 00	2 00
Land Registry & Companies House Fees	-	-	-	14 00	14 00
Storage costs	-	686 40	686 40	2,631 20	2,631 20
Total	2,000 00	26,639 58	28,639 58	37,480 77	37,480 77
Total undrawn costs to carry forward					-

Summary of professional services

Professional advisor	Nature of work	Fee arrangement
ES Group	Valuers and surveyors	Time Costs & Sales Commission
MacMillan Browne Limited	Data backup	Fixed fee
JLT Speciality Ltd	Insurance brokers	Risk based premium
TLT LLP	Solicitors - Conveyancing on property sale	Fixed fee