

**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

03407197

Name of Company

Pinnacle Heating Services Limited

/ We

Christopher Kim Rayment, 125 Colmore Row, Birmingham, B3 3SD

Ian J Gould, 125 Colmore Row, Birmingham, B3 3SD

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 12/11/2013 to 11/11/2014

Signed 

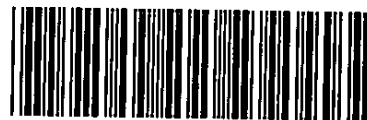
Date

8 January 2015

BDO LLP
125 Colmore Row
Birmingham
B3 3SD

Ref 00182263/CKR/IJG/LCF/SPM/AEM

SATURDAY

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A33 10/01/2015 #171
COMPANIES HOUSE



Tel +44 (0)121 352 6200
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125 Colmore Row
Birmingham
B3 3SD

7 January 2015

Your Ref
Our Ref 012576/AEM/CVL741 - S/A6

Please ask for
Ann Moore
Tel 0121 352 6399

Dear Sirs

Pinnacle Heating Services Limited - In Creditors' Voluntary Liquidation ("the Company")

Registered Address: 125 Colmore Row, Birmingham, B3 3SD

Registered number: 03407197

Joint Liquidators: Christopher Kim Rayment and Ian James Gould

Joint Liquidator Address: 125 Colmore Row, Birmingham, B3 3SD

Date of Appointment: 12 November 2012

In accordance with Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986, I am pleased to provide, for your information, an annual progress report regarding the Company.

Please note that on 23 January 2014, an order was made by the High Court of Justice, Chancery Division, Companies Court in London, No. 137 of 2014 removing Joanne Marie Wright as Joint Liquidator of the Company following her resignation from BDO LLP. The court order also provided for Ian James Gould to be appointed as Joint Liquidator of the Company in place of Joanne Marie Wright. Ian James Gould is authorised and licensed by the Institute of Chartered Accountants in England and Wales in the UK to act as an insolvency practitioner.

I also enclose a Receipts and Payments account showing a balance in hand of £159,629.58 as at 11 November 2014, being the day prior to the anniversary. The Receipts and Payments account also details the amounts received and paid in the year 12 November 2013 to 11 November 2014, together with the cumulative amounts.

Receipts

The Receipts shown are largely self-explanatory. As previously advised, there was a surplus of £234,799.96 received from the Administration and this, together with a book debt and some bank interest, made the total realisations in the Liquidation as at 11 November 2013 £247,896.06. In the year to 11 November 2014, the only further realisation has been bank interest of some £167.39.



Payments

The payments made in the year to 11 November 2014 consist primarily of legal fees of £7,835 02, and these are in relation to the ongoing discussions in respect of the realisation of further book debts, further information of which is given below.

Progress of the liquidation

Debt Collection

As you may recall from previous reports, the book debts were split between the two distinct divisions of the Company, the maintenance works side and the contractual debts. As previously advised, following the receipt of £4,927.44, I do not anticipate any further realisations in respect of the maintenance works side.

With regard to the contractual debts, I have previously reported that some £1 10m was shown as outstanding on the Company's ledger and solicitors and quantity surveyors have been engaged to assist me in my attempts to recover funds. Much of this debt has proved to be unrecoverable, however Attempts are still proceeding and, in relation to two debtors, I have been liaising with my solicitors and representatives from the Company regarding the events that occurred prior to the Company entering Administration, determining which parties were witnesses to these events and seeking statements where appropriate Following the collation of these statements and a further review with the information that was previously known to me, further correspondence has recently been sent to the Company's two debtors and I am awaiting a response. I am currently unable to provide further information to creditors on the current position, so as not to prejudice the claim, or the realisation prospects as I have yet to receive a response.

Tax Refund

Claims for VAT bad debt relief and possible terminal loss relief are being investigated.

Future Prospects

Preferential Creditors

I anticipate that the claims of the preferential creditors will amount to £44,271. The process of reviewing these claims will be finalised shortly I will be writing to the preferential creditors to agree their claims as soon as possible.

Secured Creditors

As previously reported, the Company granted a fixed and floating charge to The Royal Bank of Scotland plc ("the Bank") on 27 November 2008 and the Bank's outstanding indebtedness at the date of appointment was £331,774 57. The final return to the Bank will be determined by the ongoing debt collection process but, on the information currently available, I estimate that the Bank is likely to receive a minimum of c£135,000, of which an amount of £75,000 has already been distributed in the Liquidation

Unsecured Creditors

Under Section 176A of the Insolvency Act 1986, where, after 15 September 2003, a company has granted to a creditor a floating charge, a proportion of the net property of the company must be made available purely for the unsecured creditors. In this instance, the Company has granted such a charge. The final outcome for the unsecured creditors will be determined by the book debt realisations. As previously advised, it is estimated that, after allowing for costs, the value of the Company's net property, after payment of preferential claims, should be in excess of c£177,000, and this means that the Prescribed Part should be c£38,000 before costs.

The Statement of Affairs showed that unsecured creditor claims could exceed £2 million. Whilst the process of reviewing claims has not concluded, the quantum of claims received to date is c£1.5 million.

Liquidators' Remuneration

As previously reported, pursuant to the Insolvency Rules 1986, the Joint Liquidators are obliged to fix their remuneration in accordance with Rule 4.127(2) of the Insolvency Rules 1986. This permits remuneration to be fixed either.

- (1) as a percentage of the assets realised and distributed, and/or
- (2) by reference to the time the Joint Liquidators and the staff have spent attending to matters in the liquidation; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above

The creditors approved the Joint Administrators', and hence the Joint Liquidators', remuneration on a time costs basis at the meeting of creditors held on 26 January 2012.

The enclosed schedules analyse the time costs incurred from the reporting period of 9 November 2013 to 7 November 2014, as well as the cumulative period of 12 November 2012 to 7 November 2014, being the most practicable date in respect of the reporting period to 11 November 2014, and indicates the work undertaken in that respect. No Liquidation fees have been drawn as at the date of this report.

I can confirm that no work that is usually carried out by the Joint Liquidators has been sub-contracted outside my firm.

Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. I would report that the sum of £813.20 has been drawn in respect of category 1 disbursements and this relates to photocopying and postage and press liaison.

Liquidators often charge expenses for, for example, postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a specific case. The only category 2 expense drawn from the Liquidation relates to mileage incurred during the Administration, the approval of which was requested by me in my report dated 13 November 2012 and subsequently agreed by the creditors.

Creditors' Rights

I provide at the end of this report an extract from the Insolvency Rules 1986 setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the liquidation.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <http://www.bis.gov.uk/insolvency/contact-us/IP-Complaints-Gateway> where you will find further information on how you may pursue the complaint.

If you require any further information, please contact Ann Moore in my office on 0121 352 6399

Yours faithfully
for and on behalf of
Pinnacle Heating Services Limited



C K Rayment
Joint Liquidator

Christopher Kim Rayment is authorised by the Institute of Chartered Accountants in England and Wales in the UK to act as an Insolvency Practitioner. Details of the authorising bodies of the insolvency appointment takers of BDO LLP are available at www.bdo.co.uk/services/business-restructuring/authorising-bodies-of-insolvency-appointment-takers

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Pinnacle Heating Services Limited
(In Creditors Voluntary Liquidation)
Joint Liquidators Receipts and Payments for the Period
from 12 November 2013 to 11 November 2014

	ESTIMATED TO REALISE	RECEIPTS AND PAYMENTS TO 11 NOVEMBER 2013		RECEIPTS AND PAYMENTS FROM 12 NOVEMBER 2013 TO 11 NOVEMBER 2014		TOTAL RECEIPTS AND AND PAYMENTS TO 11 NOVEMBER 2014	
	£	£	£	£	£	£	£
FLOATING CHARGE REALISATIONS							
Surplus from Administration	234,799 96	234,799 96				234,799 96	
VAT Receivable	7,981 43	7,981 43				7,981 43	
Book Debts	4,927 44	4,927 44				4,927 44	
Bank Interest Gross	-	187 23		167 39		354 62	
	<u>247,708 83</u>		247,896 06		167 39		248,063 45
COST OF REALISATIONS							
Legal Fees		2,877 00		7,835 02		10,712 02	
Agents Fees & Disb Contract Debts		1,000 00		-		1,000 00	
Insurance of Assets		808 25		-		808 25	
Photocopying & Postage		365 70		214 00		579 70	
Press Liaison		233 50		-		233 50	
Corporation Tax		34 35		43 73		78 08	
Mileage and Parking		22 32		-		22 32	
			(5,341 12)		(8,092 75)		(13,433 87)
FLOATING CHARGE CREDITORS							
Floating Charge Creditor		75,000 00		-		75,000 00	
			(75,000 00)		-		(75,000 00)
BALANCE			<u>167,554 94</u>		<u>(7,925 36)</u>		<u>159,629 58</u>
BALANCE AS AT 11 NOVEMBER 2014 REPRESENTED BY -							
Floating Charge Monies						157,506 62	
Floating Charge VAT Receivable						2,122 96	
							<u>159,629 58</u>

Notes -

- 1 The company is registered for VAT and the above receipts and payments are shown net of VAT
- 2 All funds are held on interest bearing accounts

BDO LLP
125 Colmore Row
Birmingham
B3 3SD

C K Rayment
Joint Liquidator
7 January 2015

Pinnacle Heating Services Limited - in Creditors' Voluntary Liquidation

Summary of Time Charged and Rates Applicable for the Period From 9 November 2013 to 7 November 2014

Description	PARTNER		MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		GRAND TOTAL		AVERAGE RATE
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
General Administration	-	-	1.95	439.05	0.40	73.20	10.10	1,456.35	12.45	1,968.60	158.12
Assets Realisation/Dealing	-	-	5.10	1,173.00	-	-	-	-	5.10	1,173.00	230.00
Employee Matters	-	-	-	-	-	-	8.00	1,240.00	8.00	1,240.00	155.00
Creditor Claims	-	-	2.70	621.00	-	-	-	-	2.70	621.00	230.00
Reporting	-	-	1.70	391.00	-	-	5.50	852.50	7.20	1,243.50	172.71
Totals	-	-	11.45	2,624.05	0.40	73.20	23.60	3,548.85	35.45	6,246.10	176.19

Applicable charge out rates

GRADE	As from	As from
	10 Feb 2012	7 July 2014
	to 6 July 2013	
Partner	317	461-658
Manager	202-295	203-295
Assistant Manager	185	183
Senior Administrator	170	155-172
Administrator	62-139	55-133

Pinnacle Heating Services Limited - in Creditors' Voluntary Liquidation

Summary of Time Charged and Rates Applicable for the Period From 12 November 2012 to 7 November 2014

Description	PARTNER		MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		Other Staff	GRAND TOTAL		AVERAGE RATE
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £		Hours	Total £	Total £/hr
Steps on Appointment	-	-	0 70	141.40	0 35	59.50	5.00	780.00	-	6.05	980 90	162 13
General Administration	0 50	185.50	4.65	976.35	1 55	268 70	22.45	3,448.75	1.15	30 30	4,950 10	163.37
Assets Realisation/Dealing	6 50	2,750.50	27 15	5,686.75	-	-	-	-	-	33 65	8,437 25	250.74
Employee Matters	-	-	0.20	34.80	-	-	9 00	1,378 75	-	9.20	1,413.55	153 65
Creditor Claims	-	-	6 60	1,382.20	-	-	0.50	78.00	-	7 10	1,460 20	205.66
Reporting	0 25	98 75	3 10	673 80	-	-	11 00	1,710 50	-	14 35	2,483 05	173.03
Totals	7.25	3,034 75	42.40	8,895 30	1.90	328 20	47.95	7,396.00	1 15	100 65	19,725 05	195 98

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:

Rule 4.49E Creditors' and members' request for further information

(1) If-

- (a) within the period mentioned in paragraph (2)-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2)-
 - (i) any unsecured creditor, or
 - (ii) any member of the company in a members' voluntary winding up,
- makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4.49B(1)(e) or (f) (including by virtue of Rule 4.49C(5)) or in a draft report under Rule 4.49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter[s] in a draft report under Rule 4.49D or a progress report required by Rule 4.108 which (in either case) was previously included in a progress report not required by Rule 4.108

(2) The period referred to in paragraph (1)(a) and (b) is-

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4.108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

(3) The liquidator complies with this paragraph by either-

- (a) providing all of the information asked for, or
- (b) so far as the liquidator considers that-
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) 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
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

Rule 4.131 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that-

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or

- (c) expenses incurred by the liquidator,
- is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party
- If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders-
- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
 - (b) an order fixing the basis of remuneration at a reduced rate or amount,
 - (c) an order changing the basis of remuneration,
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
 - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,
- and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation