

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

03424202

Name of Company

Novy Engineering Services Limited

I / ~~We~~
Mehmet Arkin
Maple House
High Street
Potters Bar
Hertfordshire
EN6 5BS

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 31/05/2012 to 30/05/2013

Signed

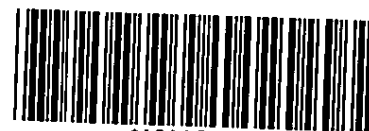
Date

07/06/13

Arkin & Co
Maple House
High Street
Potters Bar
Hertfordshire
EN6 5BS

Ref M219NO/MA

TUESDAY



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11/06/2013

#298

COMPANIES HOUSE

Novy Engineering Services Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 31/05/2012 To 30/05/2013
ASSET REALISATIONS		
2,000 00	Office Furniture & Equipment	2,000 00
13,000 00	Debtors	1,808 40
	VAT Refund	1,200 00
16,500 00	Cash at Bank	17,056 49
		<u>22,064 89</u>
COST OF REALISATIONS		
	Specific Bond	120 00
	Office Holders Fees	7,704 50
	Office Holders Expenses	121 50
	Secure document destruction	283 80
	Accountancy Fees	500 00
	Agents/Valuers Fees (1)	700 00
	Legal fees (2)	8 00
	Statutory Advertising	191 00
	Bank Charges	58 03
		<u>(9,686 83)</u>
UNSECURED CREDITORS		
(3,515 00)	Trade & Expense Creditors	NIL
(2,306 00)	Director's Loan Account	NIL
(30,777 00)	H M Revenue & Customs - Corporatio	NIL
(4,378 00)	H M Revenue & Customs - PAYE/NI	NIL
(6,973 00)	H M Revenue & Customs - VAT	NIL
		<u>NIL</u>
DISTRIBUTIONS		
(200 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(16,649 00)</u>		<u><u>12,378 06</u></u>
REPRESENTED BY		
	Vat Receivable	1,784 16
	Bank 1 Current	10,593 90
	Vat Control Account	260 00
		<u><u>12,638 06</u></u>



Mehmet Arkin
Liquidator

Our Ref ma m219no

Your Ref

4 June 2013

TO ALL MEMBERS AND CREDITORS

Dear Sir/s

Novy Engineering Services Limited – In Liquidation (“the Company”)

I write further to my appointment as liquidator of the Company on 31 May 2012

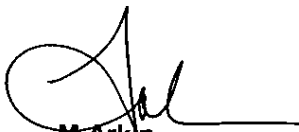
I enclose herewith my first annual progress report on the conduct of the liquidation as required by Rule 4.49C of the Insolvency Rules 1986 (as amended), together with the following documents

- Appendix A – Receipts and payments account,
- Appendix B – Schedule of liquidator's time costs,
- Appendix C – Schedule of liquidator's Category 1 and Category 2 disbursements,
- Appendix D – Liquidator's charging and disbursements policy,

If you have any questions, please do not hesitate to contact me

Yours faithfully

For and on behalf of Novy Engineering Services Limited


M Arkin
Liquidator

Enc

Novy Engineering Services Limited

PROGRESS REPORT TO CREDITORS

Pursuant to Rule 4 49C of the Insolvency Rules 1986

FOR

NOVY ENGINEERING SERVICES LIMITED (IN LIQUIDATION)

Period of Report	31 May 2012 to 30 May 2013
Registered Address	c/o Arkin & Co Maple House, High Street Potters Bar, Herts EN6 5BS
Previous Registered Address	30 City Road London EC1Y 2AB
Trading Address	382a Staines Road Bedfont Feltham Middlesex TW14 8BT
Company Number	03424202
Liquidator	M Arkin of Arkin & Co Maple House, High Street Potters Bar, Herts EN6
Date of Appointment	31 May 2012

Novy Engineering Services Limited

Initial Review

I last wrote to creditors on 12 June 2012 to advise of my appointment as liquidator of the Company at the meetings of members and creditors held on 31 May 2012 and to provide a report of the proceedings at those meetings

The statement of affairs, which was affirmed by the director on 30 April 2012, detailed the following assets

Assets	Book Value (£)	Estimated to Realise (£)
Office Furnishings & Equipment	3,600	2,000
Cash at Bank	16,500	16,500
Trade Debtors	18,229	13,000

The Company's estimated liabilities were as follows

	£
Preferential Creditors	
Holiday Pay & Arrears of Pay	Uncertain
Unsecured Creditors	
Trade & Expense Creditors (7)	3,515
H M Revenue & Customs – PAYE/NI	4,378
H M Revenue & Customs – Corporation Tax	30,777
H M Revenue & Customs - VAT	6,973
Employee Claims – Redundancy & Statutory Notice Pay	Uncertain
Director's Loan Account	2,306

My initial opinion with regard to the case, based on the information disclosed by the director and on the information contained in the statement of affairs, was that it was likely that there would be sufficient funds available to declare a dividend to unsecured creditors in this matter

Asset Realisations

Office Furnishings & Equipment

These assets were professionally valued by Centaur Chartered Surveyors, Valuers & Auctioneers of Centaur House, 51 Uckfield Road, Enfield, Middlesex EN3 6AS, who estimated that they had an "in situ" value of £2,000. The agent advised that an "ex-situ" sale would have significantly reduced net realisations in view of the costs of removal, storage and marketing. The director was therefore invited to submit an offer for these assets, or to introduce a third party. The assets were subsequently sold by private treaty to the director, Ms J Kornikova, on 11 June 2012 for £2,000 plus VAT. The sale of these assets to Ms J Kornikova represented the most economical method of sale and maximised realisations for the liquidation estate.

The director was advised to seek independent legal advice with regard to the purchase of the Company's assets and with regard to Section 216 of the Insolvency Act 1986, which prohibits an

Novy Engineering Services Limited

officer of a wound-up company from re-using the same or similar trading name as that of the wound-up company, subject to certain exceptions

Cash at Bank

As per the statement of affairs there was Cash at Bank of £16,500. It was noted that this would be subject to accrued bank charges. On 27 June 2012 I received £17,056 from Barclays Bank plc in this regard.

Trade Debtors

As per the statement of affairs as at the date of liquidation there were outstanding book debts totalling £18,229 with an estimated to realise value of £13,000. All supporting documentation was provided to the debtors and, although the director considered the majority of the debts to be due and payable, a large proportion of the debts were disputed. It has been possible to realise only £1,808.40 in this regard. After pursuing these debts for some time I concluded that the cost of recovering the balance would most likely equal or exceed any benefit to the liquidation. The remaining book debts are therefore to be written off and a claim is to be made for VAT bad debt relief, which I estimate should realise in the order of £2,700.

In the course of my investigations no other assets have come to light.

Administration

I have dealt with all queries from creditors regarding their claims in the liquidation and have corresponded with Crown offices to conclude the affairs of the Company.

I have complied with obligations imposed by statute and my regulatory body, which include but are not limited to, the submission of returns to Companies House, HM Revenue & Customs and specific penalty bonding.

Outcome for Creditors

The following claims have been received from creditors:

Preferential Liabilities	£
The Insolvency Service – Employee claims	2,188
Unsecured Liabilities	
The Insolvency Service – Employee claims	20,444
Trade Creditors (2)	508
H M Revenue & Customs - VAT	7,860
Director's Loan Account	2,306

Section 176A of the Insolvency Act 1986 requires the liquidator to set aside a prescribed part of the Company's 'net property' towards the satisfaction of the unsecured debts where a floating charge, created on or after 15 September 2003, relates to property of a company that has gone into liquidation. However, this shall not apply if the company's net property is less than the prescribed minimum of £10,000 and the liquidator thinks that the cost of making the distribution to unsecured creditors would be disproportionate to the benefits.

Novy Engineering Services Limited

There were no charges registered against the Company and therefore the provisions of section 176A are not applicable in this instance

Once all tax matters have been finalised I propose taking steps to make a distribution to creditors in the liquidation. I would therefore urge those creditors who have not yet submitted a claim to do so. In this regard I enclose a further proof of debt form

Receipts and Payments

An abstract account of the liquidator's receipts and payments has been enclosed at Appendix A. The entries on the receipts and payments account are self-explanatory but should any creditor require further clarification in this regard, please do not hesitate to contact me.

Basis of Liquidator's Remuneration

The liquidator is entitled to receive remuneration for his services and as such, a resolution was tabled at the meeting of creditors held on 31 May 2012 that the liquidator's remuneration be fixed by reference to the time properly given by the insolvency practitioner (as liquidator) and his staff in attending to matters arising in the winding-up. This resolution was approved and the basis of the liquidator's remuneration was therefore fixed as such.

A Creditors' Guide to Liquidators' Fees, which provides information for creditors in relation to the remuneration of a liquidator, can be accessed at the website of the Association of Business Recovery Professionals at www.r3.org.uk > Publications > Statements of Insolvency Practice > Statement of Insolvency Practice 9 – Remuneration of Insolvency Office Holders [England & Wales]. Alternatively, I can provide you with a copy on written request to my office.

Summary of Liquidator's Time Costs

My time costs to 30 May 2013, being the latest practicable date prior to this report, are evaluated at £8,225.50 representing 36 hours at an average charge out rate of 228.49. To date I have drawn fees totalling £7,704.50 against these time costs.

A breakdown of how my time costs have been derived and my firm's charge out rates applicable to the work undertaken has been set out in Appendix B attached to this report. This schedule has been prepared in accordance with the Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals.

You will note from the schedule that my time costs have been allocated to general categories of work undertaken, which have been derived from the responsibilities placed upon me by the underlying legal and regulatory framework for work of this nature in general and the actual matters with which I have been dealing as set out in this report.

Any secured creditor, or unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may, within 21 days of receipt of this report, request in writing to the liquidator further information about his remuneration or expenses as set out in this report. The liquidator will then reply to the request for further information within 14 days of receipt of that request.

Novy Engineering Services Limited

If any secured creditor, or any unsecured creditor, with the concurrence of at least 10% in value of creditors (including that creditor), is (after the liquidator's clarification) still dissatisfied with the level of the liquidator's remuneration and expenses on the basis that it is excessive relative to the work undertaken, that creditor may make an application to the court to vary the basis or the amount of the liquidator's remuneration and expenses

Liquidator's Disbursements

With regard to disbursements, specific expenditure relating to the administration of an insolvent estate and payable to an independent third party are recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available, then payment is made from this firm's account, and reimbursed from the estate should funds become available.

Payments made in respect of the above are defined as 'Category 1 Disbursements' and generally comprise statutory advertising, legal fees, agents fees, specific penalty bonding, Insolvency Service cheque fees, bank charges, Secretary of State fees, accountancy fees and debt collection charges.

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost, are recoverable with creditor approval. Such payments are defined as 'Category 2 Disbursements'.

A schedule of Category 1 and Category 2 disbursements incurred to date has been set out in Appendix C.

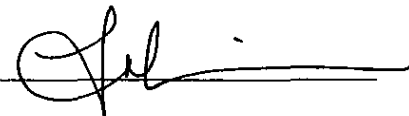
The liquidator's charging and Disbursements Policy is detailed in Appendix D.

Investigations

Following my appointment, a review was undertaken of events leading up to the liquidation of the Company and the available books and records were examined. Creditors were invited to bring to my attention any matters that were of concern to them.

Following an examination of the Company's affairs and the conduct of its directors, the appropriate report was submitted to the Secretary of State under the Company Directors Disqualification Act 1986. This report must remain confidential.

If you have any queries, please do not hesitate to contact me.



Mehmet Arkin - Liquidator
Arkin & Co
Maple House, High Street
Potters Bar, Herts EN6 5BS

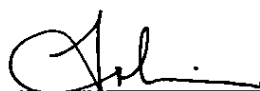
Tel 01707 828 683
Fax 01707 828 022
Email mehmet@arkinco.com

Novy Engineering Services Limited (In Liquidation)

Liquidator's Abstract of Receipts & Payments

From 31 May 2012 to 30 May 2013

Statement of Affairs		£	£
£			
	ASSET REALISATIONS		
2,000 00	Office Furniture & Equipment	2,000 00	
13,000 00	Debtors	1,808 40	
	VAT Refund	1,200 00	
16,500 00	Cash at Bank	17,056 49	
			22,064 89
	COST OF REALISATIONS		
	Specific Bond	120 00	
	Office Holders Fees	7,704 50	
	Office Holders Expenses	121 50	
	Secure document destruction	283 80	
	Accountancy Fees	500 00	
	Agents/Valuers Fees	700 00	
	Land Registry search	8 00	
	Statutory Advertising	191 00	
	Bank Charges	58 03	
			(9,686 83)
	UNSECURED CREDITORS		
(3,515 00)	Trade & Expense Creditors	NIL	
Uncertain	Employee Claims - Redundancy & Stat	NIL	
(2,306 00)	Director's Loan Account	NIL	
(30,777 00)	H M Revenue & Customs - Corporation Tax	NIL	
(4,378 00)	H M Revenue & Customs - PAYE/NI	NIL	
(6,973 00)	H M Revenue & Customs - VAT	NIL	
			NIL
	DISTRIBUTIONS		
(200 00)	Ordinary Shareholders	NIL	
			NIL
<u>(16,649 00)</u>			<u>12,378 06</u>
	REPRESENTED BY		
	Vat Receivable	1,784 16	
	Bank 1 Current	10,593 90	
			<u>12,378 06</u>



Mehmet Arkin
Liquidator

Arkin & Co
Liquidator's Time Costs Schedule

Appendix B

Novy Engineering Services Limited
For the period 31 May 2012 to 30 May 2013

For the period 01 May 2012 to 30 May 2013							
Categories	HOURS						
	Partner	Manager	Other Senior Professionals	Assistants and Support Staff	Total	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	2 60	6 10			8 70	1,960 50	225 34
Investigations	0 80	6 20			7 00	1 403 00	200 43
Asset Realisation	5 30	7 30			12 60	3 046 50	241 79
Legal							
Creditors	3 10	4 60			7 70	1,815 50	235 78
Case Specific Matters							
Total Hours	11 80	24 20	0 00	0 00	36 00	8,225 50	228 49
Charge-out Rates							
From 1 April 2013	325 00	190 00	150 00	100 00			
From 1 April 2012	320 00	185 00	150 00	100 00			
As at 1 October 2011	320 00	150 00	150 00	50 00			
Standard Activity	Activity Examples						
Administration & Planning	Case Planning Administrative set-up Appointment notification Maintenance of records Statutory Reporting						
Investigations	Review of Books and Records Reports under Company Directors Disqualifications Act 1986 Investigation of antecedent transactions						
Realisation of Assets	Identifying, securing insuring assets Retention of Title Debt collection Property business and asset sales						
Legal	Solicitors' advice Legal Action Court applications						
Creditors	Communication with creditors Creditors' claims						

NOVY ENGINEERING SERVICES LIMITED**Schedule of Category 1 and Category 2 Disbursements****Category 1 Disbursements as at 30 May 2013**

Disbursement	£
Security Bond Premium – Locktons	120 00
Statutory Advertisements – London Gazette	191 00
Accountancy Fees – Arram Berlyn Gardner	500 00
Agents/Valuers Fees - Centaur	700 00
Land Registry search	8 00
Secure document destruction – New Leaf Recycling Limited	283 80
TOTAL £	1802.80

Category 2 Disbursements as at 30 May 2013

Disbursement	£
Overhead Cost – printing, postage, stationery, telephone and fax	243 00
TOTAL £	243 00

PROOF OF DEBT - GENERAL FORM

In the matter of Novy Engineering Services Limited

and in the matter of The Insolvency Act 1986

Date of Winding-Up Order/Extraordinary Resolution. 31 May 2013

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show - (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

PROOF OF DEBT - GENERAL FORM (CONTD)

Admitted to Vote for

£

Date

Liquidator

Admitted preferentially for

£

Date

Liquidator

Admitted non-preferentially for

£

Date

Liquidator

NOTE

A company goes into liquidation if it passes a resolution for voluntary winding up or an order for its winding up is made by the court at a time when it has not already gone into liquidation by passing such a resolution