

# 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

03647028

Name of Company

Gary Bennett Ltd

I / We

Simon Thornton, The Conifers, Filton Road, Hambrook, Bristol, BS16 1QG

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 29/07/2014 to 28/07/2015

Signed



Date

13/10/15

Houghton Stone Business Recovery Limited  
The Conifers  
Filton Road  
Hambrook  
Bristol BS16 1QG

Ref G119/JW/SLL/ST

THURSDAY



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A19

15/10/2015

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COMPANIES HOUSE

**Gary Bennett Ltd**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 29/07/2014 To 28/07/2015	From 29/07/2011 To 28/07/2015
5,000 00	SECURED ASSETS Goodwill	NIL NIL	NIL NIL
(15,419 00)	SECURED CREDITORS HSBC Bank plc	NIL NIL	NIL NIL
5,847 00	HIRE PURCHASE Book Debts	NIL	NIL
(5,847 00)	Robricom Ltd T/A Worthy Finance	NIL NIL	NIL NIL
15,000 00	ASSET REALISATIONS Garage Equipment / Office Furniture	1,175 09	11,550 14
250 00	Stock	NIL	250 00
	Cash at Bank or in Hand	NIL	69 43
Uncertain	Directors Loan Account	NIL	NIL
	Bank Interest Gross	0 52	5 98
		1,175 61	11,875 55
	COST OF REALISATIONS Specific Bond	NIL	50 00
	Convening Fee	NIL	4,500 00
	Liquidator's Fees	1,606 25	6,893 25
	Agents/Valuers Fees (1)	NIL	750 00
		(1,606 25)	(12,193 25)
(2,196 00)	PREFERENTIAL CREDITORS Dept of Emp- Arrears of Wages & Hol	NIL	NIL
(427 00)	Employee -Arrears of Wages & Hol Pa	NIL NIL	NIL NIL
(18,671 00)	UNSECURED CREDITORS Trade & Expense Creditors	NIL	NIL
(969 00)	Employees - Pay in Lieu & Redundanc	NIL	NIL
(20,760 00)	Dept Employment -Pay in Lieu & Redu	NIL	NIL
(11,062 00)	Banks/Institutions	NIL	NIL
(19,357 00)	HM Revenue & Customs - PAYE/NIC	NIL	NIL
(7,698 00)	HM Revenue & Customs - Corp Tax	NIL	NIL
(49,040 00)	HM Revenue & Customs - VAT	NIL NIL	NIL NIL
(2 00)	DISTRIBUTIONS Ordinary Shareholders	NIL NIL	NIL NIL
(125,351.00)		(430 64)	(317.70)
	REPRESENTED BY		
	Vat Receivable		464 25

Bank of Scotland Account  
Office  
Vat Payable

4 50  
(411 60)  
(374 85)  

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**(317.70)**  

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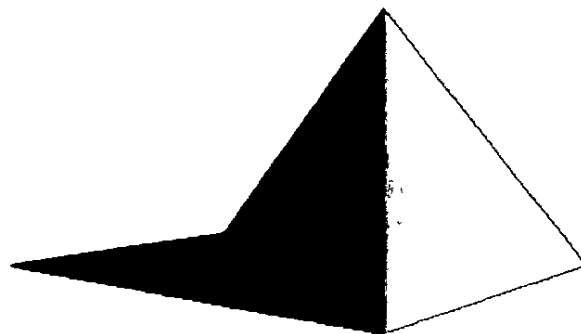
# **HOUGHTON STONE BUSINESS RECOVERY LTD**

**GARY BENNETT LTD**

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**PROGRESS REPORT TO MEMBERS & CREDITORS**

13 October 2015



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## **Abbreviations**

For the purpose of this report the following abbreviations shall be used,

"the Act"	Insolvency Act 1986 (as amended)
"the Rules"	Insolvency Rules 1986 (as amended)
"the Liquidator"	Simon Harvey Thornton of Houghton Stone Business Recovery Limited
"the Company"	Gary Bennett Ltd
"HSBR"	Houghton Stone Business Recovery Limited
"SIP 2 (E&W)"	Statement of Insolvency Practice 2 (England & Wales)
"SIP 9 (E&W)"	Statement of Insolvency Practice 9 (England & Wales)
"SIP 13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)

## **Electronic Communication with Creditors**

As explained in my earlier communications with creditors, all statutory notices or reports will be displayed on the HSBR website. A letter will be issued to all creditors each time the website is updated with such notifications. All notices/reports will be available to view on the website for 3 months from the date of upload to the site.

Where a draft final report is updated to a final report following the final creditors meeting, it will be uploaded to the website within 7 days of the final meeting date. In this instance written notification of the upload will not be issued.

# **GARY BENNETT LTD - IN LIQUIDATION**

The fourth anniversary of my appointment as Liquidator of the above company fell on 29 July 2015

I have set out below my report on the liquidation and attach a summary of my Receipts and Payments Account which covers the whole period of my administration of the case, together with details of transactions which occurred during the period of this report, 29 July 2014 to 28 July 2015

## **1 Asset Realisations**

In addition to bank interest, I continue to receive payments in respect of the purchase of Garage Equipment and Office Furniture. The sum of £1,175.09 has been received in this regard in the period covered by this report.

I can advise that bank interest of 52 pence has been received on the liquidation account between 29 July 2011 and 28 July 2015

Due to the minimal level of tax due, a £Nil corporation tax return was submitted to HM Revenue & Customs and they have confirmed acceptance

### **1.1 Goodwill**

As previously advised, a sale of the company's chattel assets, stock and goodwill was completed by agents, City Auctioneering, to Gary Bennett, on 29 July 2011

The goodwill of the company was sold for £5,000 plus VAT

Please see further details below regarding the sale

### **1.2 Garage Equipment / Office Furniture**

In addition to the sale of the goodwill noted above, a sale of £15,000 plus VAT was agreed for the garage equipment and office furniture

It was further agreed that payments would be made by instalments. Monthly instalments commenced in August 2011 in the sum of £500 and were subsequently increased to £600 per month from 1 August 2012

As previously reported, a payment break was agreed for the period March to July 2013 due to Gary Bennett experiencing some short term cash flow difficulties. Unfortunately Mr Bennett was unable to re-commence payments until October 2013 when payments of £50 per week were being received

In March 2015, Gary Bennett advised he was again experiencing cash flow difficulties, with only 2 payments of £50 each received that month.

Since that date I have received only one further payment of £250.

This leaves Gary Bennett still owing a total figure of £8,280

I have now had a further meeting with Mr Bennett who has confirmed that he is in the process of arranging personal funding which will result in sufficient funds to clear the entire balance in one payment

I have asked him to provide me with regular updates as to his progress in obtaining this funding but hope to be in funds early in 2016 and then move to review the case for closure

As at 28 July 2015, I have received £11,550 14 plus VAT against the sales invoice of £20,000 plus VAT for the goodwill and chattel assets

### **1.3 Bank Interest**

Bank interest of 52 pence has been received on the liquidation account between 29 July 2011 and 28 July 2015

A £Nil corporation tax return has been submitted to HM Revenue & Customs and agreed

### **1.4 Statement of Insolvency Practice 13 (E&W)**

In accordance with SIP 13 (E&W), I would advise you of the following connected party transactions which have taken place since my appointment as Liquidator,

<i>Date of Transaction</i>	29 July 2011
<i>Assets Sold</i>	Garage Equipment, Office Furniture, Stock and Goodwill
<i>Consideration due &amp; when paid</i>	£20,250 plus VAT  £250 plus VAT has been received in payment of the stock. Payments of £11,791 67 have been received as at 28 July 2015 in respect of the garage equipment/office equipment/goodwill Please see note under 1 2.
<i>Name of purchaser</i>	Gary Bennett
<i>Purchasers connection to insolvent company</i>	Gary Bennett was a Director of Gary Bennett Ltd

I can further advise that during a review of the company's books and records under the guidance given in SIP2 (E&W), I have not become aware of any transactions with connected parties during the period of two years prior to insolvency



## **2 Costs of Realisation**

### **2.1 Convening Fee**

It was agreed at the meeting of creditors held on 29 July 2011 that my fee for convening the meetings of members and creditors and preparing the company's statement of affairs for presentation at those meetings would be £4,500 plus VAT and disbursements

I have drawn this fee in full

### **2.2 Liquidator's Remuneration**

It was further agreed at the meeting of creditors held on 29 July 2011 that my remuneration be based on time costs with time properly accounted for in accordance with SIP 9 and that remuneration may be drawn without further recourse to creditors

I have incurred time costs of £15,280.00 between 29 July 2011 and 28 July 2015 representing 107.15 hours at an average rate of £142.60 per hour. A summary of time spent and charge-out value is attached for your information.

To date I have drawn £6,893.25 on account of my time costs incurred. Of this amount £1,606.25 has been drawn during the period of this report.

The work has been categorised into the following work functions;

*Admin & Planning* includes case planning and set up, notification of appointment, maintenance of the case files and recording in the statutory case record, statutory reporting and reviews, compliance, VAT and taxation matters, cashiering and accounting

*Case Specific Matters* includes matters specific only to this case (where applicable)

*Creditors* includes set up of creditor records, creditor communications, and any matters relating to secured creditor claims, preferential claims, employee claims and claims of unsecured creditors

*Realisation of Assets* includes identifying, insuring and securing assets including any property issues, the disposal of stocks, collection of debts (including inter-company loans and directors' loan accounts), securing realisation of any pre liquidation VAT and other tax refunds

*Trading* includes all matters relating to the trading of the business following Liquidation (where applicable)

As previously advised, "A Creditors Guide to Liquidators' Remuneration" is available to view or download via the following link [www.hsbr.co.uk](http://www.hsbr.co.uk), Username: G119 (case-sensitive), Password: GARYB028

In accordance with Rule 4.49E of the Insolvency (Amendment) Rules 2010, within 21 days of receipt of this report, a request may be made for further information regarding the remuneration detailed in this report from any;

- (a) secured creditor or,
- (b) unsecured creditor with concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or,
- (c) unsecured creditor with permission of the Court upon an application being made;

Any request must be made in writing. A response to this request will be made within 14 days of receipt.

In accordance with Rule 4.131 of the Insolvency Act 1986 any creditor of the company with concurrence of at least 10% in value of the creditors (including the creditor in question), or with the permission of the Court, may apply to Court to challenge the basis fixed for the Liquidator's remuneration under Rule 4.127 on the grounds that it is, in all circumstances, inappropriate, and/or to challenge the remuneration and/or expenses that have been charged on the grounds that they are, in all circumstances, excessive. Creditors should note that under the revised Rule 4.131 of the Insolvency (Amendment) Rules 2010, any such application must be made within 8 weeks of receipt of this report.

## 2.3 Liquidator's Expenses

To date I have incurred the following expenses;

	£
Statutory Advertising	229.50
Storage	266.00
IT Costs	170.00
Specific Bonding	62.00*
Postage & Stationery	<u>83.20</u>
	<u>810.70</u>

\*I have drawn £50 in part payment of the expense for specific bonding which is reflected on the attached Receipts and Payments account.

The remaining costs of £760.70 have been borne by the practice and are not reflected on the attached Receipts & Payments Account. It is intended that

payment of these expenses will be drawn from future realisations prior to closure of the Liquidation.

Please note that my firm's tariff regards charge out rates and the charging of disbursements was updated on 1 March 2015. The revised tariff can be viewed via my website.

## **2.4 Agent's Fees**

The company's assets were valued and sold by City Auctioneering.

Their total fee was £750.00 and this has been paid in full from asset realisations in the liquidation.

## **2.5 Other Payments**

I believe that the other payments shown on the attached Receipts & Payments Account are self explanatory.

## **3 SIP 2 (E&W) – Liquidators Investigation into the Affairs of the Company**

In accordance with the Company Directors Disqualification Act 1986, a thorough investigation of the affairs of the company and the conduct of the directors has been undertaken.

An appropriate report has been submitted to the Department for Business, Innovation and Skills however, this report is confidential and the contents can therefore not be disclosed.

## **4 Creditor Claims**

### **4.1 Fixed Charge Creditor - HSBC Bank plc**

HSBC Bank plc held a debenture dated 15 October 2007 which incorporated a fixed and floating charge over the company's assets. The estimated liability as per the company's statement of affairs was £15,419.

A claim of £15,519.70 has been received from the Bank. The Bank's fixed charge covers the sale of the goodwill.

Upon receipt of the monies from the sale of the goodwill, the proceeds will be paid to HSBC Bank plc under the terms of their debenture.

## **4.2 Preferential Creditors**

As detailed in the company's statement of affairs the preferential claims, in respect of employee's arrears of wages and unpaid holiday pay, were estimated to total £2,623

A final preferential claim of £1,610.66 has been received from The Insolvency Service, Redundancy Payments Office, in respect of payments which have been made by them to the former employees of the company.

Additional employee claims have not been calculated as it is unlikely that there will be any funds available for distribution to preferential creditors.

## **4.3 Floating Charge Creditor - HSBC Bank plc**

HSBC Bank plc held a debenture dated 15 October 2007 which incorporated a fixed and floating charge over the company's assets

As noted above, a claim of £15,519.70 has been received from the Bank and following the realisation of the monies from the sale of the goodwill, a payment of £5,000 will be made to the Bank under its fixed charge.

It is therefore expected that the Bank will have a balancing claim of £10,519.70 under its floating charge

## **4.4 Prescribed Part**

Section 176A of the Insolvency Act 1986 requires the Liquidator to set aside a prescribed amount of the company's 'net property' towards the satisfaction of unsecured debts. Section 176A only applies where there is a floating charge created on or after 15 September 2003

In this case a floating charge over the company's assets was created on 15 October 2007 and therefore the prescribed part provisions would apply

Section 176A however further provides that where the net property is less than the prescribed minimum which is £10,000, the prescribed part is set aside as the costs of making a distribution to unsecured creditors would be disproportionate to the benefits. Consequently in this case it is estimated that the prescribed part provisions will not apply

## **4.5 Unsecured Creditors**

Unsecured creditor claims were estimated to total £127,557 as per the company's statement of affairs. To date I have received 10 claims totalling £135,986.97

Included within this total is a claim of £49,454.09 from HM Revenue & Customs in respect of unpaid PAYE and NIC and a further claim of £48,976.38 for unpaid VAT

## **5 Dividend Prospects**

The funds realised from the sale of the company's goodwill will be payable to HSBC Bank plc under the terms of the Bank's fixed charge in due course

In addition, my firm has outstanding unpaid disbursements and time costs in excess of £8,000

Based on the above, it is unlikely that there will be any funds available for distribution to preferential creditors, to the bank under its floating charge, or to unsecured creditors

In accordance with Rule 4 186 of the Insolvency Act 1986 I can advise that there is no prospect of a dividend to unsecured creditors in this matter.

## **6 Future Conduct**

My administration of this matter remains on-going and at this stage I am unable to anticipate a date for closure of the liquidation. A further report will be issued either on the next anniversary of the liquidation or upon closure of the case, whichever falls earlier.

If you have any queries, please contact Jenny Wright of this office on 0117 970 9236.

Yours faithfully



**Simon H Thornton**  
**Liquidator**

Dated: 13 October 2015

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## **Gary Bennett Ltd - In Liquidation**

### **Appendix 1 - Company Details**

Company Number	03647028
Registered Office	The Conifers Filton Road Hambrook Bristol BS16 1QG
Previous Registered Office	Broadmeadow Industrial Estate Teignmouth Devon TQ14 9AE
Trading Address	No 3 Broadmeadow Industrial Estate Teignmouth Devon TQ14 9AE

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**Gary Bennett Ltd - In Liquidation**

**Appendix 2 – Liquidator’s Details**

Liquidator’s name and address	Simon H Thornton Houghton Stone Business Recovery Ltd The Conifers Filton Road Hambrook Bristol BS16 1QG
Date of Appointment	29 July 2011

**Gary Bennett Ltd  
(In Liquidation)**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 29/07/2011 To 28/07/2014 (£)</b>	<b>From 29/07/2014 To 28/07/2015 (£)</b>	<b>Total (£)</b>
Goodwill	5,000.00	0 00	0 00	0.00
Book Debts	5,847 00	0 00	0 00	0.00
Garage Equipment / Office Furniture	15,000.00	10,375.05	1,175.09	11,550.14
Stock	250.00	250.00	0 00	250.00
Cash at Bank or in Hand		69.43	0 00	69.43
Directors Loan Account	Uncertain	0.00	0 00	0.00
Bank Interest Gross		5.46	0 52	5.98
		<b>10,699.94</b>	<b>1,175.61</b>	<b>11,875.55</b>

**PAYMENTS**

HSBC Bank plc	(15,419 00)	0.00	0 00	0 00
Robricom Ltd T/A Worthy Finance	(5,847 00)	0.00	0.00	0.00
Specific Bond		50.00	0 00	50.00
Convening Fee		4,500.00	0 00	4,500 00
Liquidator's Fees		5,287.00	1,606 25	6,893.25
Agents/Valuers Fees (1)		750.00	0 00	750 00
Dept of Emp- Arrears of Wages & Hol Pay	(2,196 00)	0.00	0.00	0 00
Employee -Arrears of Wages & Hol Pay	(427.00)	0 00	0.00	0 00
Trade & Expense Creditors	(18,671.00)	0.00	0.00	0 00
Employees - Pay in Lieu & Redundancy	(969 00)	0.00	0 00	0 00
Dept Employment -Pay in Lieu & Redundancy	(20,760.00)	0.00	0 00	0 00
Banks/Institutions	(11,062.00)	0.00	0.00	0 00
HM Revenue & Customs - PAYE/NIC	(19,357.00)	0.00	0.00	0.00
HM Revenue & Customs - Corp Tax	(7,698.00)	0.00	0 00	0.00
HM Revenue & Customs - VAT	(49,040 00)	0 00	0 00	0 00
Ordinary Shareholders	(2.00)	0 00	0 00	0 00
		<b>10,587.00</b>	<b>1,606.25</b>	<b>12,193.25</b>

<b>Net Receipts/(Payments)</b>	<b>112.94</b>	<b>(430.64)</b>	<b>(317.70)</b>
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**MADE UP AS FOLLOWS**

Bank of Scotland Account	152 88	(148 38)	4.50
Office	(33.00)	(378.60)	(411.60)
VAT Receivable / (Payable)	(6 94)	96.34	89.40
	<b>112.94</b>	<b>(430.64)</b>	<b>(317.70)</b>



# Time Entry - SLP9 Time & Cost Summary

G119 - Gary Bennett Ltd  
 Project Code POST  
 From 29/07/2011 To 29/07/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	2.25	5.05	24.80	11.85	43.95	8,492.50	147.72
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Checkers	0.00	0.00	21.30	0.00	21.30	3,195.00	150.00
Investigation	0.00	0.00	11.85	0.00	11.85	1,782.50	150.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	11.95	16.00	28.75	3,620.00	125.91
Trading	0.00	0.00	1.20	0.00	1.20	180.00	150.00
<b>Total Hours</b>	<b>2.25</b>	<b>5.05</b>	<b>71.20</b>	<b>28.85</b>	<b>107.35</b>	<b>15,280.00</b>	<b>142.80</b>
<b>Total Fees Claimed</b>						<b>8,583.25</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	