

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

03877734

Name of Company

Elmec Automation Limited

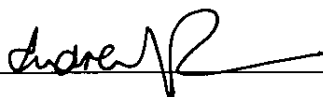
I / ~~the~~

A Turpin, 35 Ludgate Hill, Birmingham, B3 1EH

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 19/02/2013 to 18/02/2014

Signed



Date

16-4-14

Poppleton & Appleby
35 Ludgate Hill
Birmingham
B3 1EH

Ref E3O/AT/GJB/SRH/JS/LG

THURSDAY



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COMPANIES HOUSE

Elmec Automation Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

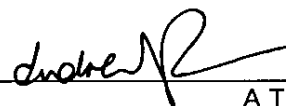
Statement of Affairs		From 19/02/2013 To 18/02/2014
	FIXED CHARGE ASSETS	
16,017 00	Factored Book Debts	NIL
(18,700 00)	Lloyds TSB CFL t/a Alex Lawrie Factor	NIL
		<u>NIL</u>
	ASSETS NOT PLEDGED	
1,746 00	Cash in Hand	1,745 95
1,405 00	Work in Progress	1,800 00
4,942 00	Stock	3,324 05
405 00	Computer Equipment	405 00
65 00	Office Furniture & Equipment	65 00
670 00	Plant & Machinery	670 00
		<u>8,010 00</u>
	COST OF REALISATIONS	
	Agents Costs	270 00
	Statutory Advertising	226 11
	Statement of Affairs Fee	3,173 50
	Stationery, Printing & Carriage	16 72
	Specific Bond	25 00
	Storage Costs	12 50
	Re-Direction of Mail	60 00
	Motor Expenses	82 85
	Sundries	660 00
	Liquidators Fees	2,500 00
		<u>(7,026 68)</u>
	PREFERENTIAL CREDITORS	
(4,216 00)	Employee - Preferential Entitlements	NIL
		<u>NIL</u>
	FLOATING CHARGE CREDITORS	
(3,336 00)	HSBC Bank Plc	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(71,220 00)	Trade & Expense Creditors	NIL
(27,533 00)	H M Revenue & Customs - VAT	NIL
(30,959 00)	H M Revenue & Customs - PAYE / NI	NIL
(37,437 00)	Employee - Unsecured Entitlements	NIL
(22,221 00)	Directors Loan Account - S Lavin	NIL
(10,793 00)	Loan Account - J Friend	NIL
(30,381 00)	Advanced Control Services Limited	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(2 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(231,548 00)</u>		<u><u>983 32</u></u>

REPRESENTED BY

VAT Input
Bank

54 00
929 32

983.32



A Turpin
Liquidator

35 Ludgate Hill
Birmingham B3 1EH
T 0121 200 2962
F 0121 236 8340

E info@poppletonandappleby.co.uk
www.poppletonandappleby.co.uk

**TO ALL MEMBERS, CREDITORS AND
THE REGISTRAR OF COMPANIES**

Our Ref AT/GJB/SRH/JS/LG/E30/CVLL259
16 April 2014

Dear Sirs

Elmec Automation Limited - In Creditors' Voluntary Liquidation ("the Company")
Registered Office. 35 Ludgate Hill, Birmingham, B3 1EH
Company Number: 03877734

In accordance with Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986, I enclose a copy of my Progress Report to Creditors. I would remind Creditors that I was appointed as Liquidator of the Company on 19 February 2013 and now report following the end of a year since my appointment.

Receipts and Payments Account

I attach a copy of my Receipts and Payments Account from 19 February 2013 to 18 February 2014.

Fixed Charge Assets

Factored Book Debts

The Company was subject to a Factoring Agreement with Lloyds TSB Commercial Finance Limited ("LTSBCF") trading as Alex Lawrie Factors.

LTSBCF hold a debenture dated 30 September 2003 comprising Fixed and Floating Charges over the assets of the Company.

At the date of my appointment, the Company's debtor ledger totalled £22,811, albeit the anticipated realisable value of the same was estimated in the region of £16,017.

After taking into account the outstanding advances of £18,700 due to LTSBCF and having regard to further interest and termination charges payable under the terms of the Agreement, no surplus funds are anticipated to be available to the Liquidator.

Continued

Assets Subject to Floating Charge

Cash in Hand

The balance in hand relates to payments received by the Company in the hiatus period preceding my formal appointment as Liquidator, of £1,046, plus a deposit towards the costs in dealing with the Liquidation of £700, lodged by the Company Director

Work in Progress

The Company's work in progress at the date of my appointment comprised one part completed project, with an estimated invoice value of £2,065

Based on a brief assessment, it was deemed commercially viable to instruct a third party to complete the balance of works in this matter, which was undertaken following my appointment, at a cost of £660

It was necessary to raise a small credit note in the sum of £265 due to a small snagging item, the balance payable by the customer in question of £1,800 has now been received in full

Trading Assets

At the date of my appointment the Company retained various trading assets comprising stock computer equipment, office furniture and plant

In accordance with Statement of Insolvency Practice 13 I would advise Creditors that an offer for these items was received from Advanced Control Services Limited, a company in which the Director has an interest

This offer was subsequently accepted on the recommendation of my appointed Agents. Total realisations in this regard are £4,464, a breakdown of the respective values attributable to the specific asset categories, is set out in the attached Receipts and Payments Account

Assets Remaining Unsold

I can confirm that there are no assets which remain unrealised at this time

Investigation

As Liquidator, I was obliged to investigate the affairs of the Company and its Officers during the three years prior to insolvency. I would confirm that my confidential report was submitted to the Insolvency Service in discharge of this duty

Costs of Liquidation

Professional Fees

Agents have been instructed during the course of the Liquidation. The scope of their engagement as well as the fees paid is summarised at Appendix A

The choice of professionals is based on their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they have been reasonable in the circumstances of the case

Continued

Liquidator's Remuneration

The costs of the Liquidation paid to date are detailed on the attached Receipts and Payments Account

To 18 February 2014 I have drawn fees of £2,500 against this Firm's total time costs of £5,720. The time costs incurred by this firm in this matter equate to 35 hours at an average charge out rate of £164 per hour.

The basis for drawing my fees and expenses were approved by Creditors at the initial Creditors meeting and details of the date and content of the resolution passed has been circulated previously.

I can also confirm that the Statement of Affairs fee of £3,174 has been settled. The drawing of this fee and the basis of charge was approved at the initial meeting of Creditors.

I believe that the other costs of the procedure are self explanatory. However, if any further explanation is required I would be only too happy to provide it upon request.

I have attached as Appendix B, a schedule of the routine work undertaken by me as Liquidator to date.

In accordance with Statement of Insolvency Practice 9 I append to this report a detailed analysis of time spent on the Liquidation for the period from 19 February 2013 to 18 February 2014.

Outcome for Creditors

Secured Creditors

Lloyds TSB Commercial Finance Limited ("LTSBCF")

As referred to above, LTSBCF provided factoring facilities in relation to the Company's debtor ledger. LTSBCF hold a Debenture dated 30 September 2003 comprising fixed and floating charges over the assets of the Company.

At the date of my appointment, advances from LTSBCF totalled £18,700 albeit this balance was subject to final interest and termination charges.

LTSBCF may have a residual claim in the Liquidation should the indebtedness not be settled by way of collection of debtor monies, albeit no such claim has been received to date.

HSBC Bank Plc

The Company banked with HSBC Bank Plc ("the Bank") who provided a current account and credit card facilities. The estimated balance due to the Bank at the date of my appointment totalled £3,336.

The Bank hold a debenture dated 17 November 2006 comprising fixed and floating charges over the assets of the Company.

Continued

As the security of both of the Secured Creditors was created after the Enterprise Act 2003, the Prescribed Part rules would apply to any Floating Charge realisations. The Prescribed Part regulations have the effect of ring fencing certain monies that would be available to Floating Charge Creditors, for the benefit of Unsecured Creditors.

However, in this case, there are no funds available for distribution to the relevant Secured Creditors.

Preferential Creditor Claims

The position as regards Preferential Creditors can be summarised as follows -

Number of Preferential Creditor Claims Received to Date	Estimated Statement of Affairs Value of Preferential Claims	Value of Preferential Creditor Claims Received to Date
0	£4,216	£0

No Preferential Creditor claims have been received to date albeit it is anticipated that those claims would be in line with that anticipated in the Directors Statement of Affairs.

There will be no return to Preferential Creditors in these proceedings after the costs associated with it.

Unsecured Creditors

The position as regards Unsecured Creditors can be summarised best as follows -

Number of Unsecured Creditor Claims Received to Date	Estimated Statement of Affairs Value of Unsecured Claims	Value of Unsecured Creditor Claims Received to Date
22	£172,052	£120,157

In accordance with Rule 11.7 of the Insolvency Rules 1986, I confirm that there will be no dividend declared for the Unsecured Creditors as funds realised have been allocated to pay the costs and fees of the procedure. There have been no returns to shareholders.

Crown Creditors

I can confirm that the position as regards the claims from Crown Creditors was confirmed as follows:-

Number of Crown Creditor Claims Received to Date	Estimated Statement of Affairs Value of Crown Creditor Claims	Value of Crown Creditor Claims Received to Date
2	£58,492	£59,120

The Prescribed Part

The outcome as regards the Prescribed Part has been dealt with above under the heading 'Secured Creditor'.

Continued

Conclusion

There remain certain areas as detailed within this report which require further time to fully resolve. I will continue with my functions to progress this case to closure once those various matters have been resolved.

I have attached as Appendix C, a statement of Creditors rights in relation to these proceedings.

If you should require any further information concerning this Liquidation then please do not hesitate to contact either myself or my Case Manager, Siann Huntley.

Yours faithfully
For and on behalf of
Elmec Automation Limited



A Turpin
Liquidator

Elmec Automation Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
To 18/02/2014

S of A £		£	£
	FIXED CHARGE ASSETS		
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(18,700 00)	Lloyds TSB CFL t/a Alex Lawrie Factor	NIL	NIL
	ASSETS NOT PLEDGED		
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	Motor Expenses	82 85	
	Sundries	660 00	
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(2 00)	Ordinary Shareholders	NIL	NIL
(231,548.00)			983.32

Elmec Automation Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
To 18/02/2014

S of A £	£	£
REPRESENTED BY		
VAT Input		54 00
Bank		929 32
		<u>983.32</u>



A Turpin
Liquidator

Time Entry - SIP9 Time & Cost Summary

E3O - Elmec Automation Limited
Project Code POST
From 19/02/2013 To 18/02/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	1.80	2.60	14.70	0.00	19.10	3,096.00	162.09
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	1.10	0.00	1.10	154.00	140.00
Investigations	1.20	0.50	4.70	0.00	6.40	1,109.50	173.36
Realisations of Assets	0.00	3.60	4.70	0.00	8.30	1,360.00	163.86
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	3.00	6.70	25.20	0.00	34.90	5,719.50	163.88
Total Fees Claimed						2,500.00	
Total Disbursements Claimed						180.35	

Time Entry - SIP9 Time & Cost Summary
Category 2 Disbursements

ESO - Elmec Automation Limited
Project Code POST
From 19/02/2013 To 18/02/2014

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type and Purpose	Amount
28/02/2013	Mileage	12.60
31/03/2013	Slann Mileage	14.85
31/03/2013	Mileage	54.00
31/05/2013	Storage May 13	2.50
30/06/2013	Storage June 13	2.50
31/07/2013	Storage Jul 13	2.50
31/08/2013	Storage Aug 13	2.50
30/09/2013	Sept 13	2.50
31/10/2013	Storage Oct 13	2.50
29/11/2013	Nov 13 Storage	2.50
31/12/2013	Dec 13 Storage	2.50
31/01/2014	Jan 14 Storage	2.50
Total		163.95

APPENDIX A

Elmec Automation Limited – In Liquidation

Professional Fees

Firm	Scope	Agreed Fee Structure	Original Budgeted Costs (£)	Professional Fees paid (£)	Professional Costs Accrued But Not Paid (£)	Further Costs Expected (£)	Revised Budget (£)
Kumar & Company Limited	Valuation of Company assets, Advice & assistance in relation to sale of assets	Time costs & disbursements	300	270	0	0	270
Total			300	270	0	0	270

ROUTINE WORK ORDINARILY UNDERTAKEN IN MEMBERS AND CREDITORS VOLUNTARY LIQUIDATIONS

1 Administration & Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence, e mails and telephone calls
- Maintaining physical case files and electronic case details in our computerised systems
- Review and storage
- Case bordereau reviews and maintenance
- Case planning and administration
- Case reviews
- Preparing reports to interested parties
- Convening and holding meetings of members and creditors and, where appropriate, the Committee

2. Cashiering

- Maintaining and managing the Liquidator's cashbook and bank account(s)
- Ensuring statutory lodgements and taxation affair obligations are met

3. Creditors

- Dealing with creditor correspondence, e mails and telephone calls
- Preparing reports to Creditors and other interested parties
- Maintaining Creditor information within our computerised systems
- Reviewing and adjudicating upon proofs of debt received from Creditors

4. Investigations

- Review and storage of books and records
- Preparing a report pursuant to the Company Directors Disqualification Act (Not in a Members Voluntary Liquidation)
- Conduct investigations into suspicious transactions
- Reviewing books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of Creditors

5 Realisation of Assets

- Corresponding with debtors (where appropriate) and attempting to collect outstanding book debts
- Liaising with the Company's bank regarding the closure of the accounts(s)
- Employment of Agents and Solicitors where appropriate to assist in dealing with the above

STATUTORY DISCLOSURE REQUIREMENTS

Legislative requirements state that when an Insolvency Practitioner reports to Creditors, there are certain statutory statements he must make. In order to fully comply with these conditions, we have set out below the statements which apply in these proceedings in this Appendix, rather than in the report itself, with the intention of keeping the report informative for Creditors whom are more likely to be interested in the practical points arising in the insolvency.

The statements which form part of this statutory report which also need to be considered along with it are as follows -

- Please note that no funds have been held with the Insolvency Services Account at any time during the liquidation, therefore, it has been neither possible nor necessary to reconcile this account with the Secretary of State.
- I can confirm that there have been no unrealised assets in this matter.

Comments as Regards Liquidator's Remuneration:-

- I attach details of this firm's fee and disbursement recovery policy, which includes details of our current charge out rates.
- Creditors/Members should note that a request for further information regarding my fees and expenses should be made within 21 days of receipt of this report, pursuant to Rule 4.49E of the Insolvency Rules 1986, details of which can be found on our website at www.poppletonandappleby.co.uk and selecting Creditors Login, Creditors Guidance Notes, Creditor/Members Rights and Rule 4.49E. A hard copy can be provided upon written request.
- Furthermore, I am obliged to advise Creditors/Members of their right to appeal the level of my remuneration and expenses, pursuant to Rule 4.131 of the Insolvency Rules 1986, a copy of which can be found on our website at www.poppletonandappleby.co.uk and selecting Creditors Login, Creditors Guidance Notes, Creditor/Members Rights and Rule 4.131. This allows Unsecured Creditors/Members, with the permission of the Court or with the concurrence of 5% or more of the Unsecured Creditors/Members (including the Creditor/Member instigating this process) to request further details as regards remuneration and expenses within the period of 21 days from receipt of this report. Secured Creditors have identical rights.
- Unsecured Creditors/Members, with either the permission of the Court or the concurrence of at least 10% of Creditors/Members may apply to Court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of the receipt of this report. Secured Creditors have identical rights.