

**Return of Final Meeting in a  
Creditors' Voluntary Winding Up****Pursuant to Section 106 of the  
Insolvency Act 1986**

To the Registrar of Companies

**S.106**

Company Number

03895921

Name of Company

A &amp; K Timber Services Limited

I/We Sarah Louise Burge  
Lowgate House  
Lowgate  
Hull  
Yorkshire  
HU1 1ELWilliam Duncan  
Lowgate House  
Lowgate  
Hull  
Yorkshire  
HU1 1EL

Note The copy account must be  
authenticated by the written  
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 15 May 2013 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, and that ~~the same was done accordingly~~ / no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was duly held on/~~summoned for~~ 15 May 2013 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly/~~no quorum was present at the meeting~~

The meeting was held at The Offices of RSM Tenon, Lowgate House, Lowgate, Hull, HU1 1EL

The winding up covers the period from 27 March 2012 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Quorum – "Creditors resolved that the liquidator(s) be released from office "

Signed



Date 16 May 2013

RSM Tenon Restructuring  
Lowgate House  
Lowgate  
Hull  
Yorkshire  
HU1 1EL

Ref 5521333/SLB/WD/SSU/JWW/CHH

COMPANIES HOUSE



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17/05/2013

#190

**A & K Timber Services Limited (“the Company”) – In Liquidation**

**Joint Liquidators’ Final Report  
to the Final General Meetings of Members and Creditors**

**Issued on: 15 May 2013**

## **A & K Timber Services Limited ("the Company") – In Liquidation**

### **JOINT LIQUIDATORS' FINAL REPORT AS AT 14 MARCH 2013**

Sarah Louise Burge and William Duncan are the Joint Liquidators of the Company and this is their final report to the creditors and members of the Company, showing how the liquidation has been conducted. The report covers the whole period of the liquidation from commencement to the date of the final meeting.

#### **1. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**

#### **2. Joint Liquidators' Receipts and Payment Account**

A summary of the Joint Liquidators' receipts and payments account relating to the Company from commencement of the liquidation is attached at **Appendix II**

#### **3. Action taken by the Joint Liquidators since Appointment**

The Company was wound up on 27 March 2012 and Sarah Louise Burge and William Duncan were appointed Joint Liquidators at meetings of members and creditors held on 27 March 2012.

#### **Book Debts**

The Company's book debts were subject to an invoice discounting agreement with HSBC Bank Plc.

Following collection out of the ledger, a surplus of £10,747 was received for the benefit of the Liquidation. The remaining balances were assigned back to the Company in liquidation and have resulted in further book debt receipts of £4,161 taking total book debt realisations to £14,908.

The remaining balances have been written off as non-recoverable due to disputes and counter claims submitted by the respective debtors.

#### **Leasehold Property Additions**

As advised in the director's report to creditors, the Company's short leasehold with a book value of £31,337 has had no realisable value.

#### **Tangible assets**

The Company's tangible assets including plant and machinery, fixtures, fittings and computer equipment were valued by Paul Cooper BSc Econ MRICS of CJM Asset Management ("CJM") an independent valuation expert to have an estimated value of £25,000 before any costs of removal.

Whilst no recovery of the fixtures, fittings and computer equipment has been possible, CJM have successfully realised £16,100 for the plant and machinery.

### **Director's Loan Account**

The director's statement of affairs indicated that the Company owed the director, Kevin Trevor Smith, £5,000 by way of a director's loan account. Following further investigation in conjunctions with Gosschalks Solicitors we have recovered £12,000 for the benefit of the Liquidation having reviewed the loan account and concluded that the account was in fact in a repayment position and therefore monies were due to the Company.

### **Cash at Bank**

The Company's credit balance with HSBC Bank Plc was recovered following confirmation of the Liquidation realising £7,865 for the benefit of the Liquidation estate.

### **Bank Interest**

The only other realisation relates to bank interest received totalling c£6.

### **Associated Company Loans**

The Company's book debt ledger on Liquidation showed balances due to the Company from associated companies, Admorspace Limited and Modular Plant Limited.

Admorspace Limited is currently in Liquidation with no prospect of a dividend to unsecured creditors.

In respect of the debt due from Modular Plant Limited, after further investigation it was concluded that the amount was not in fact outstanding as no goods had been received.

### **Winding up petition and settlement of petitioning creditor costs**

As outlined in the director's report to creditors, the Company was subject to a winding up petition presented by HM Revenue & Customs on 31 January 2012 and due to have been heard on 19 March 2012.

The winding up hearing was adjourned until 21 May 2012 to allow a voluntary liquidation to be considered following instructions to Gosschalks Solicitors.

Following confirmation of the Liquidation, petitioning creditor costs of £830 have been paid to HM Revenue & Customs.

### **Investigations**

There are no outstanding lines of enquiry.

Liquidators have a duty to submit a confidential report or return to the government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the liquidation.

This report has been completed.

#### **4. Liabilities and Dividends**

##### **Secured Creditors**

The Company's secured creditor, HSBC Bank Plc, has received full repayment of its facility following the collection of the Company's book debt ledger

##### **Preferential Creditors**

Preferential claims of £2,479 have been received from the Redundancy Payments Service ("RPS") for monies paid to the Company's former employees for any unpaid wages and holiday pay

A first and final dividend of 100p in the £ was paid to the RPS on 25 February 2013

##### **Prescribed Part**

Section 176A of the Insolvency Act 1986 has not been applied as HSBC Bank Plc have received repayment in full under its fixed charge and have not called upon its floating charge

##### **Ordinary Unsecured Creditors**

Claims totalling £414,980 have been received to date

Notice of no dividend was given on 4 March 2013

No dividend has been paid to unsecured creditors because there was insufficient realisations to meet the Joint Liquidators' fees and other administrative costs of the estate

#### **5. Joint Liquidators' Remuneration, Disbursements and Expenses**

##### **Basis of Remuneration and Disbursements**

At the initial meeting of creditors held on 27 March 2012 it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that their disbursements would be drawn in accordance with the tariff outlined in **Appendix III**

##### **Remuneration Charged and Drawn**

The Joint Liquidators' time costs were charged (exc VAT) as follows

	Incurred	Paid
From appointment on 27 March 2012 including estimated fees of £1,000 to cover closing procedures	£28,243	£26,097

Due to insufficient funds a shortfall of £2,146 in respect of the Joint Liquidators' fees has necessarily been written off

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

#### **Disbursements Incurred and Drawn**

The Joint Liquidators' disbursements incurred and reimbursed are summarised below Details are in the attached **Appendix III**.

	Incurring	Paid
Category 1 disbursements since appointment on 27 March 2012	£1,335 19	£1,335 19
Category 2 disbursements since appointment on 27 March 2012	£113 68	£113 68

#### **Expenses (Professional Advisors) Charged and Drawn**

The following professional advisors have been involved in the liquidation,

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
CJM Asset Management	Agents valuations and sale of the Company's assets	Commission of 10% on realisations plus audit, removals and transport
Gosschalks Solicitors	Solicitors advice on the recovery of the director's loan account and attendance at the Company's winding up hearing pending the outcome of the S98 meeting prior to Liquidation	Fixed fee plus disbursements including counsel fees
Andrew Jackson Solicitors	Solicitors legal advice and assistance with the collection of the Company's surplus book debt ledger	Fixed fee
Willis Limited	Insurance specific insurance cover for the Company's assets	Insurance premium

The choice of professionals and the Joint Liquidators' fee arrangement with them was based on perception of their experience and ability to perform this type of work, together with the complexity and nature of the assignment

Details of the costs incurred and paid by the Liquidators in relation to liquidation expenses are also attached at **Appendix III**

Details of the outcome of the litigation are given in Section 3 above

### **Pre Appointment Costs**

At the initial meeting of creditors held on 27 March 2012 it was resolved that the fees of RSM Tenon Restructuring for assisting the directors in convening the statutory meetings to place the Company into liquidation, would be a set fee of £6,000 plus VAT to be paid out of the assets of the Company

The Company's accountants, Fawley, Judge and Easton, chartered certified accountants, have been paid £750 plus VAT for their assistance in preparing the Company's statement of affairs as agreed at the initial meeting of creditors

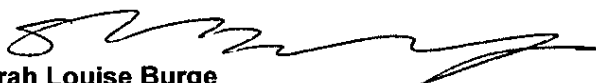
These fees were paid as an expense of the liquidation

### **Creditors' Guide to Fees and Statement of Creditors' Rights**

Creditors have a right to request further information from the Joint Liquidator and additionally have a right to challenge the Joint Liquidators' remuneration and expenses time limits apply Details can be found in the document 'Remuneration Guidelines Liquidation (post 6 April 2010)' which you can access and download at <http://www.rsmtenon.com/creditorguides> Alternatively a copy is available free of charge upon request from the address above

### **6. Conclusion of the Liquidation**

The final general meetings of members and creditors have been convened at which it is intended that this report will be presented Formal notice is enclosed The Joint Liquidators will seek approval to be released as Liquidator in this matter This meeting is purely a formality and there is no requirement for you to attend however if you wish to do so it should be helpful if you would advise the above office in advance



**Sarah Louise Burge**  
Joint Liquidator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association*

**Statutory Information****Appendix I****Company Information**

Company Name	A & K Timber Services Limited
Previous Name	n/a
Company Number	03895921
Date of Incorporation	17 December 1999
Trading Address	Sculcoates Lane, Hull, East Yorkshire, HU5 1RU
Current Registered Office	1st Floor, Lowgate House, Lowgate, Hull, HU1 1EL
Former Registered Office	30 Freightliner Road, Hull, East Yorkshire, HU3 4UP
Principal Trading Activity	Sawmilling & planing of wood

**Appointment details**

Joint Liquidators' name and address	Sarah Louise Burge of RSM Tenon Restructuring, Lowgate House, Lowgate, Hull, Yorkshire, HU1 1EL and William Duncan of RSM Tenon Restructuring Lowgate House, Lowgate, Hull, Yorkshire, HU1 1EL
Commencement of liquidation	27 March 2012
Date of appointment	27 March 2012
Appointment made by	Members and Creditors
The Joint Liquidators act jointly and severally	

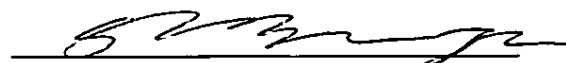


**A & K Timber Services Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 27/03/2012 To 15/05/2013	From 27/03/2012 To 15/05/2013
41,226 57	<b>SECURED ASSETS</b>		
	Book Debts	NIL	NIL
		NIL	NIL
(26,405 73)	<b>SECURED CREDITORS</b>		
	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
NIL	Leasehold Property Additions	NIL	NIL
25,000 00	Plant & Machinery	16,100 00	16,100 00
NIL	Fixtures, Fittings & Computer Equipme	NIL	NIL
	Book Debts	14,907 77	14,907 77
	Director's Loan Account	12,000 00	12,000 00
7,870 92	Cash at Bank	7,864 72	7,864 72
	Bank Interest Gross	6 03	6 03
14,856 79	Associated Company Loans	NIL	NIL
		50,878 52	50,878 52
	<b>COST OF REALISATIONS</b>		
	Petitioners Costs	830 00	830 00
	Preparation of S of A	6,000 00	6,000 00
	Liquidators Fees	26,096 58	26,096 58
	Liquidators Expenses	1,448 87	1,448 87
	Agents/Valuers Fees	1,610 00	1,610 00
	Agents disbursements	8,020 00	8,020 00
	Legal Fees	3,380 00	3,380 00
	Legal Expenses	156 50	156 50
	Corporation Tax	1 20	1 20
	Accountants Fees	750 00	750 00
	Insurance of Assets	106 00	106 00
		(48,399 15)	(48,399 15)
(2,645 27)	<b>PREFERENTIAL CREDITORS</b>		
	Employees - Arrears of Pay	2,479 37	2,479 37
		(2,479 37)	(2,479 37)
(82,978 43)	<b>UNSECURED CREDITORS</b>		
(59,445 27)	Trade & Expense Creditors	NIL	NIL
(5,000 00)	Employees - Redundancy & Notice Pa	NIL	NIL
(112,980 68)	Director's Loan Account	NIL	NIL
(133,270 93)	HM Revenue & Customs - PAYE	NIL	NIL
	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
(20 00)	<b>DISTRIBUTIONS</b>		
	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(333,792.03)		0.00	0.00

REPRESENTED BY

NIL

  
Sarah Louise Burge  
Joint Liquidator

## Information relating to the Joint Liquidators' Fees and Expenses

### 1. Explanation of Liquidators' charging and disbursement recovery policies

#### 1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

Grade	Rate per hour
	£
Directors / Associate Directors	355 – 395
Managers	260 – 300
Technical Staff	155 – 220
Assistants and Support Staff	100 – 155

#### 1.2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

##### Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Restructuring and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

##### Category 2 disbursements

These include elements of shared or allocated costs incurred by RSM Tenon Restructuring and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by RSM Tenon Restructuring are as follows

Disbursement charge	Rate
Company searches (RSM Tenon Tracker)	£10 per case
File set up	£7 per file
Photocopying, scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) - London	£150 per hour

Room hire (internal) - outside London	£100 per hour
Reports to creditors and members - posted	50p per report
Reports to creditors and members - published on line	25p per report

## **2 Description of work carried out**

Section 3 of this Appendix details the time costs charged to date in relation to activities undertaken. These can be summarised as follows:

### **2.1 Administration and planning**

The following activities have been undertaken:

- > Statutory duties associated with the appointment,
- > Notification of the appointment to creditors, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > Progress reviews of the case

Staff of different levels were involved in the above activities depending upon the experience required.

### **2.2. Investigations**

The time spent includes:

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Completion of statutory returns to the Insolvency Service

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work are usually experienced members of staff.

### **2.3. Realisation of assets**

Please refer to the main body of the report but in summary the time spent includes:

- > Liaising with agents and solicitors,
- > Correspondence and meetings with interested parties,
- > Identifying, securing and insuring of assets,
- > Debt collection
- > Recovery of director's loan account

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake.

## 2.4. Creditors and distributions

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims,
- > Reporting to creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake

## 3. Time and charge out summary

From appointment on 27 March 2012, a total of 131 hours have been spent at an average charge out rate of £207 bringing the total charged to £27,242 50

It is estimated that further time costs of £1,000 will be incurred prior to the final meetings of members and creditors

The following table shows all fees charged from appointment to date

Classification of work function	Insolvency Practitioner/ Partner/ Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning	13 70	9 80	18 40	19 80	61 70	14,039 50	228
Investigations	1 30	3 20	16 80	-	21 30	3,993 50	187
Realisation of assets	1 80	5 30	20 40	-	27 50	5,337 00	194
Trading							
Creditors	0 90	4 50	13 10	2 30	20 80	3,872 50	186
Total hours	17 70	22 80	68 70	22 10	131 30		
Total fees claimed £	6,791 50	5,943 00	11,074 00	3,434 00		27,242 50	207

#### 4. Disbursements

Disbursements incurred from appointment on 27 March 2012 are detailed below

<b>Disbursements</b>	<b>Incurred £</b>	<b>Paid £</b>
<b>Category 1</b>		
Statutory advertising	390 60	390 60
External room hire	47 58	47 58
Bond premium	120 00	120 00
Archive storage	742 46	742 46
Mail redirection	27 20	27 20
Case management software charge	7 35	7 35
<b>Category 1 Total</b>	<b>1,335.19</b>	<b>1,335.19</b>
<b>Category 2</b>		
Postage/Copying	113 68	113 68
<b>Category 2 Total</b>	<b>113 68</b>	<b>113.68</b>
<b>Category 1 and 2 Total</b>	<b>1,448.87</b>	<b>1,448.87</b>

The above costs exclude VAT

#### 5 Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following parties, as shown below,

<b>Name &amp; Activity</b>	<b>Incurred £</b>	<b>Paid £</b>
CJM Asset Management Chattel Asset agents	9,630 00	9,630 00
Gosschalks Solicitors	3,356 50	3,356 50
Andrew Jackson Solicitors	180 00	180 00
Fawley Judge & Easton accountancy	750 00	750 00
Willis Limited insurance	106 00	106 00
<b>Total</b>	<b>13,166.50</b>	<b>13,166.50</b>

The above costs exclude VAT