

**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

03994387

Name of Company

P J Adams Electrical Limited

I / We

David Elliott, Victory House, Quayside, Chatham Maritime, Kent ME4 4QU

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 08/12/2015 to 07/12/2016

Signed



Date

20/12/2016

Moore Stephens LLP
Victory House, Quayside
Chatham Maritime, Kent
ME4 4QU

Ref C74890/JH

THURSDAY

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COMPANIES HOUSE

P J Adams Electrical Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 08/12/2015 To 07/12/2016
	FINANCED ASSET 1	
5,000 00	Peugeot Partner Van (Financed)	NIL
(9,154 00)	Peugeot Finance	NIL
		<u>NIL</u>
	ASSET REALISATIONS	
NIL	Goodwill	NIL
NIL	Office Furniture	NIL
2,200 00	Peugeot Partner Van (Unencumbered)	2,400 00
500 00	Plant, Machinery & Stock	600 00
Uncertain	Director's Loan Account	NIL
14,470 00	Trade debtors	8,151 75
		<u>11,151 75</u>
	OTHER REALISATIONS	
	Interest gross of tax	0 81
		<u>0 81</u>
	COSTS OF REALISATION	
	Agent's fees & expenses	1,618 00
	Debt collection fees	450 00
		<u>(2,068 00)</u>
	COSTS OF ADMINISTRATION	
	Accountancy fees & expenses	1,497 25
	Statutory advertising	300 00
	Specific penalty bond	185 00
	Storage costs	542 53
		<u>(2,524 78)</u>
	PREFERENTIAL CREDITORS	
(7,319 00)	Employees wage arrears	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(51,893 00)	Trade & expense creditors	NIL
(61,543 00)	Employees	NIL
(10,742 00)	Barclays Bank Plc	NIL
(41,321 00)	HM Revenue & Customs	NIL
		<u>NIL</u>
	CONTRIBUTORIES	
(60,000 00)	Ordinary shareholders	NIL
		<u>NIL</u>
<u>(219,802 00)</u>		<u><u>6,559 78</u></u>
	REPRESENTED BY	
	VAT receivable	486 45
	Bank 2 - current	6,073 33
		<u><u>6,559.78</u></u>

Strictly Private & Confidential

P J ADAMS ELECTRICAL LIMITED ("THE COMPANY")

Report to the members and creditors

20 December 2016

Moore Stephens LLP
Victory House, Quayside
Chatham Maritime, Kent
ME4 4QU

Tel +44 (0)1634 895100
Fax +44 (0)1634 895101

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This report is intended for use by those parties entitled to a copy thereof under the Insolvency Rules 1986. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

David Elliott is authorised in the UK to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. All of my work is conducted in accordance with the Insolvency Code of Ethics.

1 Statutory information

Company name	P J Adams Electrical Limited
Company number	03994387
Registered office	Victory House Quayside Chatham Maritime Kent ME4 4QU
Date of appointment	8 December 2015
Liquidator	David Elliott
Liquidator's address	Victory House Quayside Chatham Maritime Kent ME4 4QU

2 Progress to date

- 2 1 The receipts and payments account attached in Appendix I details the asset realisations to date
- 2 2 The Company's physical assets were valued by independent agents Ark Business Solutions Limited. The Company held a financed Peugeot Partner van which the agents estimated had a realisable value of £5,000. The outstanding finance was greater than the realisable value and therefore no funds were realised in this regard.
- 2 3 The assets shown in the Company's accounts included Goodwill and a small amount of office furniture. The agents reviewed these assets and advised that neither had any realisable value.
- 2 4 The Company owned an unencumbered Peugeot Partner van and some plant and machinery which the agents initially estimated would realise £2,200 and £500 respectively. These were sold for £2,400 and £600.
- 2 5 The director's Statement of Affairs included an overdrawn directors loan account with an uncertain realisable value. JAD Chartered Accountants were engaged to prepare accounts up to the cessation of trade and these indicated that the final balance on the loan account was £40,863. I am currently seeking repayment of this sum from the director.
- 2 6 The Statement of Affairs indicated that the sum of £14,470 was expected to be realised from the Company's debtor ledger. Agents Roger Metcalfe Associates have been instructed to assist with the collection of the debts. The sum of £8,151.75 has been realised to date. A number of debtors have demonstrated that they paid the Company prior to the liquidation. The agents are now pursuing one further amount which they anticipate may realise a further £5,600.

3 Investigations

- 3 1 An appropriate submission on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business, Energy & Industrial Strategy in accordance with the liquidator's statutory duties. Please note that the content of this submission is of a confidential nature and so cannot be disclosed to third parties by myself.

4 Liquidator's remuneration

4 1 At the initial meeting of creditors held on 8 December 2015 the following resolution was passed

- 1 That the fee for convening the meeting of creditors and preparing the Statement of Affairs, to be paid from the assets of the Company, be fixed at £6,000 plus VAT and disbursements as follows

Rule 4 38

Preparation of statement of affairs in statutory form by £3,000
Moore Stephens LLP

Rule 4.62

Summoning, advertising and holding of creditors' meeting
by Moore Stephens LLP £3,000

Total £6,000

4 2 The statement of affairs fees have not yet been discharged

4 3 A further resolution was obtained from creditors that the remuneration of the liquidator be fixed as follows

- A fixed fee of £5,000 in relation to statutory compliance, administration and planning in accordance with Rule 4 127(2)(c) of The Insolvency Rules 1986,
- 20% of the realisation of assets, excluding any realisations as a result of investigations, in accordance with Rule 4 127(2)(a) of The Insolvency Rules 1986,
- 50% of the realisations as a result of investigations conducted in accordance with Rule 4 127(2)(a) of The Insolvency Rules 1986, and
- 10% of the total value of distributions to creditors in accordance with Rule 4 127(2)(a) of The Insolvency Rules 1986

4 4 In terms of the asset realisations, my staff and I have liaised with the agents dealing with the physical assets and book debts to ensure that realisations are being progressed. We have sought further information concerning the debts from the Company's former accountants. We have also had various discussions with the accountants concerning the preparation of the cessation accounts. Following the preparation of the accounts we have been corresponding with the director to recover the sums due, we have met with the director and considered the representations which he has put forward to date. Work will continue in this regard in order to maximise recoveries.

4 5 In addition we have dealt with all statutory matters and administrative work in relation to the liquidation and either required by legislation or necessary to perform the basic duties of a liquidator. Examples of work which is generally undertaken was provided in the proposed basis of remuneration which has been appended to this report for reference.

4 6 To date, no remuneration has been drawn.

4 7 Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone.

5 Liquidator's expenses

5 1 Please find below a schedule of all expenses incurred in the period

For the period of 08/12/2015 to 07/12/2016

Cost description	Cost incurred £	Cost drawn £
Agent's fees & expenses	1,618 00	1,618 00
Debt collection fees	675 00	450 00
Accountancy fees & expenses	1,497 25	1,497 25
Statutory advertising	300 00	300 00
Specific penalty bond	185 00	185 00
Storage costs	542 53	542 53
Total	4,817 78	4,592 78
Total undrawn costs carried forward		£225 00

- 5 2 The sum of £1,618 has been paid to Ark Business Solutions for their assistance with the valuation and disposal of the Company's assets
- 5 3 The sum of £450 has been paid to date to Roger Metcalfe Associates whose fees are fixed at 15% of recoveries plus disbursements
- 5 4 JAD Accountants were instructed to assist with the preparation of accounts up to cessation of trade to assist the recovery of the outstanding directors loan account Fees of £1,497 25 have been paid in this regard
- 5 5 Ark Data Storage have been engaged to assist with the collection and storage of the Company's records and their charges to date total £542 53

6 Creditors' rights

- 6 1 Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the court may request in writing that the liquidator provide further information about his remuneration or expenses which have been set out in the progress report

Within 14 days of receipt of the request, I must provide all of the information asked for, except so far as I consider that

- the time or cost of preparation of the information would be excessive, or
- 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
- I am subject to an obligation of confidentiality in respect of the information

I am also is required to give reasons for not providing all of the requested information

- 6 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the liquidator's remuneration, the remuneration charged, or the expenses incurred by the liquidator as set out in the progress report are excessive

7 Liabilities

- 7 1 Secured creditors

There are no secured creditors

7.2 Preferential creditors

The directors statement of affairs indicated preferential debts of £7,319. No claim has been received to date from the Redundancy Payments Office to indicate what sums they have paid towards these debts. Once sufficient funds are realised to enable a preferential dividend to be paid, I will review this situation to ensure that all preferential claims are agreed.

7.3 Unsecured creditors

The statement of affairs included unsecured creditors amounting to £169,653. Claims received to date total £74,053.40.

It is anticipated that there may be a distribution to the unsecured creditors, depending on the recovery of the directors loan account, however, at this stage we are unable to comment on the amount and timing.



David Elliott
Liquidator

Liquidator's receipts and payments account

P J Adams Electrical Limited (In Liquidation)

	Statement of affairs £	From 08/12/2015 To 07/12/2016 £	From 08/12/2015 To 07/12/2016 £
RECEIPTS			
Peugeot Partner Van (Financed)	5,000 00	0 00	0 00
Goodwill	NIL	0 00	0 00
Office Furniture	NIL	0 00	0 00
Peugeot Partner Van (Unencumbered)	2,200 00	2,400 00	2,400 00
Plant, Machinery & Stock	500 00	600 00	600 00
Director's Loan Account	Uncertain	0 00	0 00
Trade debtors	14,470 00	8,151 75	8,151 75
Interest gross of tax		0 81	0 81
		<u>11,152 56</u>	<u>11,152 56</u>
PAYMENTS			
Agent's fees & expenses		1,618 00	1,618 00
Debt collection fees		450 00	450 00
Accountancy fees & expenses		1,497 25	1,497 25
Statutory advertising		300 00	300 00
Specific penalty bond		185 00	185 00
Storage costs		542 53	542 53
		<u>4,592 78</u>	<u>4,592 78</u>
Net Receipts/(Payments)		<u>6,559 78</u>	<u>6,559 78</u>
MADE UP AS FOLLOWS			
VAT receivable			486 45
Bank 2 - current			6,073 33
			<u>6,559 78</u>

David Elliott
Liquidator

**P J ADAMS ELECTRICAL LIMITED (IN CREDITORS' VOLUNTARY LIQUIDATION)
("THE COMPANY")**

Proposed basis of remuneration and schedule of expenses anticipated to be incurred

That the remuneration of the liquidator be fixed as below

- A fixed fee of £5,000 in relation to statutory compliance, administration and planning in accordance with Rule 4 127(c) of The Insolvency Rules 1986,
- 20% of the realisation of assets, excluding any realisations as a result of investigations, in accordance with Rule 4 127(2)(a) of The Insolvency Rules 1986,
- 50% of the realisations as a result of investigations conducted in accordance with Rule 4 127(2)(a) of The Insolvency Rules 1986, and
- 10% of the total value of distributions to creditors in accordance with Rule 4 127(2)(a) of The Insolvency Rules 1986

Statutory compliance, administration and planning

The fee of £5,000 is in relation to dealing with all statutory matters and administrative work in relation to the liquidation and represents the work which is anticipated to be undertaken, either required by legislation or necessary to perform the basic duties of a liquidator (but may not necessarily provide a direct financial benefit to creditors) on the basis that the case is progressed to closure within 24 months

Should the case not be able to be closed within this time, authorisation for a further fixed fee may be sought from creditors

Examples of work which is generally undertaken but which is not limited to, include

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including statement of affairs, change of registered office form, notice of appointment and the resolution to wind up
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a liquidation committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the liquidation committee (if applicable)
- Letters to directors regarding the provisions of sections 216 and 217 of Insolvency Act 1986, enclosing directors questionnaires
- Obtaining approval for the basis of fees from creditors
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and filing (with the Registrar of Companies, Land Registry and all persons claiming an interest in the property) of notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts

- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Completion of the internal investigation checklist
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Review of creditor questionnaires and other information received in relation to the affairs of the Company
- Review of director questionnaires
- Preparation of liquidators' report/return on the actions of the directors to the disqualification unit of the Department for Business Innovation & Skills
- Correspondence with compliance department in respect of on-going case issues/matters
- Complying with money laundering regulations
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues
- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities

Asset realisations

Details of the known assets have been detailed in the statement of affairs dated 8 December 2015

Remuneration of 20% of the realisation of assets, net of any mortgage, fixed charge or hire purchase and gross of selling costs is being sought and is a fair and reasonable reflection of the work to be undertaken to realise the assets which will result in a direct financial benefit to the liquidation

Examples of the work which may be undertaken but which is not limited to, include

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors
- Monitoring and collection of outstanding debtors, retentions and work in progress
- Property, business and asset sales
- Tax reclaims
- Review of interest rate hedging products

Investigations

Remuneration of 50% of the gross realisations recovered as a result of investigations, net of legal fees and expenses, is being sought to reflect the highly speculative nature of the work which if undertaken may result in a direct financial benefit to the liquidation

Examples of work which is generally undertaken but which is not limited to, include

- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Liaising with solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of director/creditor questionnaires
- Land Registry and Companies House searches
- Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue

Distributions to creditors

Remuneration of 10% of the total value of assets distributed to creditors is being sought and is a fair and reasonable reflection of the work to be undertaken but which is not limited to, include

- The processing and submission of the relevant forms to the Redundancy Payments Directorate
- Processing of creditors' proof of debt forms and entering onto IPS system
- Liaising with agents in relation to the agreement of creditor claims i.e. Payco
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends
- Preparation of distribution paperwork including the notice of declaration

Fees are stated net of VAT

Based on current information, the prospect of a dividend becoming available to the unsecured creditors is uncertain

It is also anticipated that the following expenses will be incurred

	£
Agents' fees & expenses	2,000
Accountancy fees	2,500
Statutory advertising	375
Specific penalty bond	185
Storage costs	500

Please provide a narrative regarding the assumptions for the basis of these expenses

Agents' fees have been estimated based upon their anticipated fee for disposing of the physical assets and liaising with the landlord, retention of title creditors and finance houses

Accountancy Fees have been estimated based upon the requirement for cessation accounts and a terminal loss relief claim to be completed

Storage costs have been estimated based upon the storage and inventorising of the Company's physical records for the duration of the liquidation by a third party storage provider, together with the secure destruction of them 15 months post closure of the case

The estimate of statutory advertising and the specific penalty bond have been estimated based upon the standard fees incurred by our firm in dealing with a creditors' voluntary liquidation