

The Insolvency Act 1986**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A
of the Insolvency Act 1986**

To the Registrar of Companies

For Official Use

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Company Number

04042961

Name of Company

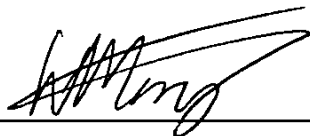
A & B Engineering (Essex) Limited

I / We
Lloyd Biscoe
The Old Exchange
234 Southchurch Road
Southend on Sea
SS1 2EG

Wayne Macpherson
The Old Exchange
234 Southchurch Road
Southend on Sea
Essex
SS1 2EG

the liquidator(s) of the company attach a copy of my/our progress report
under section 192 of the Insolvency Act 1986

Signed



Date

25/04/12

Begbies Traynor (Central) LLP
The Old Exchange
234 Southchurch Road
Southend on Sea
SS1 2EG

Ref AB037CVL/LCB/WM/JXH/LJT

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Insolvency Sect

THURSDAY



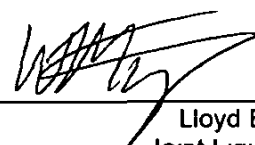
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A & B Engineering (Essex) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 19/04/2011 To 18/04/2012
	ASSET REALISATIONS	
6,000 00	Book Debt - Plant & Machinery	6,000 00
3,569 00	Book Debts	1,079 50
		<u>7,079 50</u>
	COST OF REALISATIONS	
	Statement of Affairs Fee	4,000 00
	Office Holders Fees	1,000 00
	Accountants Costs	1,000 00
	Legal Fees (1)	106 20
	Bank Charges	11 66
		<u>(6,117 86)</u>
	UNSECURED CREDITORS	
(13,280 00)	Trade Creditors	NIL
(9,675 00)	RPO- Notice/Redundancy	NIL
(11,612 00)	Barclays Bank PLC	NIL
(4,694 00)	HM Revenue & Customs - VAT	NIL
(1,337 00)	HM Revenue & Customs- PAYE	NIL
(5,905 00)	HM Revenue & Customs - CT	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
100 00	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(36,834.00)</u>		<u><u>961.64</u></u>
	REPRESENTED BY	
	Vat Receivable	200 00
	Bank 1 Current	761 64
		<u>961.64</u>



Lloyd Biscoe
Joint Liquidator

A & B Engineering (Essex) Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986

Period: 19 April 2011 to 18 April 2012

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of the joint liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1 Joint liquidators' account of receipts and payments
 - 2 Joint liquidators' time costs and disbursements
 - 3 Statement of joint Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	A & B Engineering (Essex) Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 19 April 2011
"the liquidators", "we", "our" and "us"	Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Wayne Macpherson of Begbies Traynor, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	None
Company registered number	04042961
Company registered office.	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address	Units 2 & 3 Rear of Brunell Road, Manor Trading Estate, Benfleet, Essex, SS7 4PS

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced.	19 April 2011
Date of liquidators' appointment	19 April 2011
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 19 April 2011 to 18 April 2012.

RECEIPTS

Book Debt – Plant & Machinery

The company's accounts for the year ending 31 July 2009 reflected Plant & Machinery as having a book value of £8,382. We can advise that these assets were sold prior to our instruction for the sum of £5,000 plus VAT to Anne Hutchins, the former director's wife. We can confirm that these assets were sold for a fair and reasonable price.

Book Debts

The company's sales ledger reflected outstanding book debts totalling £4,461 which were written down to £3,569 due to contra claims and bad debts. We can confirm that the sum of £1,079.50 has been collected. The balance of the ledger was passed to solicitors to pursue; however, due to contra claims and no replies from the debtors and because of the small balances involved, these debts were written off as uneconomical to pursue.

PAYMENTS

Accountants Costs

The sum of £1,000 has been paid to Merryfields Accountants for their assistance with the preparation of the statement of affairs.

Legal Fees

BTMK Solicitors have been paid the sum of £106.20 for their assistance with the outstanding debtors.

Bank Charges

During the liquidation period, the liquidation account(s) have incurred bank charges of £11.66.

5. ESTIMATED OUTCOME FOR CREDITORS

Due to the lack of realisable assets a dividend will not be declared to any class of creditor.

6. REMUNERATION & DISBURSEMENTS

Begbies Traynor (Central) LLP's professional fee for assisting the Company and its directors in fulfilling the statutory requirements for placing the Company into creditor's voluntary liquidation have been fixed at £5,000 plus VAT and disbursements and has been paid from funds in hand. From this sum, £1,000 plus VAT was paid to Merryfield Accountants as detailed above.

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the

meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report.

Our time costs for the period from 19 April 2011 to 18 April 2012 amount to £3,244 which represents 14.9 hours at an average rate of £217.72 per hour. To date the sum of £1,000 plus VAT has been drawn.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 19 April 2011 to 18 April 2012
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

7. JOINT LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. To date, no disbursements have been drawn.

8. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated prior to the meeting of creditors convened pursuant to Section 98 of the Act, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

9. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the 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 that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

10. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'Lloyd Biscoe', written over a horizontal line.

Lloyd Biscoe
Joint Liquidator

Dated 23 April 2012

ACCOUNT OF RECEIPTS AND PAYMENTS

Period. 19 April 2011 to 18 April 2012

A & B Engineering (Essex) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

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		NIL	NIL
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	REPRESENTED BY		
	Vat Receivable		200 00
	Bank 1 Current		761 64
			<u>961.64</u>

Lloyd Biscoe
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred
- d Table of time spent and charge-out value for the period from 19 April 2011 to 18 April 2012

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 expenses (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors may be charged by some offices and is charged at the rate of £100 (London £150) per meeting. External meeting room usage is charged at cost;
- Car mileage is charged at the rate of 45 pence per mile,

Expenses which should be treated as Category 2 expenses (approval required) – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 expenses. The following items of expenditure which relate to services provided by an entity within the Begbies Traynor Group are to be charged to the case (subject to approval):

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

² Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

- Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are.

Minimum charge of £33 per quarter for up to three boxes. Four to Two Hundred Boxes charged at £9.90 per box per quarter. Over two hundred boxes are charged at half the aforementioned price, presently £4.45 per box per quarter. Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited is required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

- BTG Asset Consulting may be engaged to undertake valuations and/or disposal of the assets in this case. BTG Asset Consulting is a part of Begbies Traynor Group plc and therefore an associated company. Their charges are based on 15% of realisations. A separate charge will be levied for any valuations to be provided at a fixed fee of £500 + VAT. Disbursements are charged at cost and mileage is recovered at 40p per mile. All figures stated are net of VAT.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea office as at the date of this report are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner 1	450
Partner 2	395
Director	375
Senior Manager	350
Manager	300
Assistant Manager	250
Senior Administrator	220
Administrator	180
Junior Administrator	150
Support	150

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

[illegible]

STATEMENT OF EXPENSES

DISBURSEMENTS
SUMMARY

Begbies Traynor

Postage Tel	Photocopy Fax	Travel Expenses	Meeting Room	Statutory Advertising	Sundry Expenses	Co Search	Bond	Swear	Set Up Costs	Insurance	
32.80	216.80			125.00			20.00				
32.80	216.80	-	-	125.00	-	-	20.00	-	-	-	-
GRAND TOTAL				394.60							