

**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

04078847

Name of Company

Contramec Services Limited

I / We

Paul Bailey, 257b Croydon Road, Beckenham, Kent, BR3 3PS

Tommaso Waqar Ahmad, 257b Croydon Road, Beckenham, Kent, BR3 3PS

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 12/09/2015 to 11/09/2016

Signed



Date

26/9/16

Bailey Ahmad Limited
257b Croydon Road
Beckenham
Kent
BR3 3PS

Ref CO06/PB/TA/TC/RS

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Contromec Services Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

| Statement of Affairs | | From 12/09/2015 To 11/09/2016 | From 12/09/2013 To 11/09/2016 |
|----------------------|----------------------------------|----------------------------------|----------------------------------|
| | ASSET REALISATIONS | | |
| NIL | Stock | NIL | NIL |
| Uncertain | Book Debts | NIL | 16,576 31 |
| Uncertain | Retentions | NIL | NIL |
| 6,000 00 | Cash at Bank | NIL | 6,000 00 |
| Uncertain | Director's loan account | 5,750 00 | 16,250 00 |
| | | <u>5,750 00</u> | <u>38,826 31</u> |
| | COST OF REALISATIONS | | |
| | Section 98 Meeting Fee | NIL | 5,000 00 |
| | Office Holders Fees | 2,700 00 | 22,550 00 |
| | Office Holders Expenses | NIL | 465 20 |
| | Subcontractors' fees | NIL | 3,425 03 |
| | Subcontractors' disbursements | NIL | 814 00 |
| | | <u>(2,700 00)</u> | <u>(32,254 23)</u> |
| | PREFERENTIAL CREDITORS | | |
| (10,987 29) | Employee Arrears/Hol Pay | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| | FLOATING CHARGE CREDITORS | | |
| (13,000 00) | Lloyds TSB | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| | UNSECURED CREDITORS | | |
| (78,071 42) | Trade & Expense Creditors | NIL | NIL |
| (67,127 83) | Employees | NIL | NIL |
| (23,517 75) | HM Revenue & Customs - PAYE/NI | NIL | NIL |
| (8,623 10) | HM Revenue & Customs - CT | NIL | NIL |
| (19,000 00) | HM Revenue & Customs - VAT | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| | DISTRIBUTIONS | | |
| (100 00) | Ordinary Shareholders | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| (214,427 39) | | <u>3,050 00</u> | <u>6,572 08</u> |
| | REPRESENTED BY | | |
| | Vat Receivable | | 200 00 |
| | Bank 2 Current | | 6,372 08 |
| | | | <u>6,572.08</u> |



Paul Bailey
Joint Liquidator

Contromec Services Limited (In Creditors' Voluntary Liquidation)

Joint Liquidators' Annual Report

26 September 2016

**Paul Bailey and Tommaso Waqar Ahmad
Joint Liquidators**

**Both licensed to act as insolvency practitioners in the UK by the
Association of Chartered Certified Accountants**

www.baileyahmad.co.uk

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- B A creditors' guide to insolvency procedures and the remuneration of office holders
- C Fee resolutions
- D Notes to be read in conjunction with Statement of Insolvency Practice 9 (SIP 9) fee breakdown
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- F Cumulative SIP 9 breakdown from the commencement of liquidation to 11 September 2016

1. Introduction

This report sets out an account of our acts and dealings and of the conduct of the liquidation for the period from 12 September 2015 to 11 September 2016

2. Statutory information

| | |
|----------------------------------|---|
| Company name | Contromec Services Limited |
| Registered office | 257b Croydon Road, Beckenham, Kent BR3 3PS |
| Registered number | 04078847 |
| Date of liquidators' appointment | 12 September 2013 |

3 Receipts and payments

We attach as Appendix A to this report a summary of our receipts and payments from 12 September 2015 to 11 September 2016, together with a cumulative summary for the period since our appointment to 11 September 2016

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs (HMRC) shown separately. The Company was VAT registered, and consequently VAT is recoverable from HMRC

Case funds are being held in an account which is non-interest bearing

4. Asset realisations

Director's loan account (estimated to realise uncertain)

At the date of our appointment, the director had an outstanding loan account due to the Company of £21,839.71. The director agreed to make repayments of £500 per month and during the period of this report £5,750 has been received due to a reduced payment of £250 made in one month. We have received total payments of £16,250 to 11 September 2016 and the director continues to make regular repayments in respect of the balance of £5,589.71.

5. Dividends to creditors

Secured

The director's statement of affairs disclosed secured liabilities totalling £13,000 due to Lloyds Bank Plc (the Bank). We have not yet received a formal claim from the Bank.

Preferential

Preferential liabilities of £10,987.29 were disclosed in the directors' statement of affairs due to five creditors. A Notice of Intended Dividend will be issued shortly to preferential creditors shortly.

Unsecured

Unsecured claims totalling £170,620.39 have been received to date from nineteen creditors. The remaining thirteen creditors detailed in the statement of affairs with claims estimated at £29,567.56 have yet to submit statement of claim forms.

It is highly unlikely that there will be sufficient funds available to enable a dividend to be paid to unsecured creditors.

Prescribed part

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A liquidator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000.

Given that the estimated net property in this case is less than the prescribed minimum of £10,000, the prescribed part provisions do not apply.

6. Investigations

We have considered the information acquired in the course of appraising and realising the Company's assets together with information provided by creditors and the Company's professional advisors. We have also made enquiries of the Company's directors by sending questionnaires.

We made an initial assessment of whether there could be any matters that might lead to recoveries for the liquidation and what further investigations may have been appropriate.

In determining the extent of the investigations in the circumstances of this case, account was taken of the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved. We concluded that no further investigations or action would be appropriate or likely to result in a recovery for the benefit of the liquidation.

We can confirm that we have fulfilled our statutory obligations and made the appropriate submission to the Directors Disqualification Unit of UK Department for

Business Innovation & Skills under the provisions of the Company Directors Disqualification Act on all those who were directors of the Company in the three years leading up to our appointment. The contents of this report are confidential and cannot be disclosed.

7 Other work carried out by the Joint Liquidators

Administration and Planning

We have continued to carry out all statutory duties in accordance with the legislation. We have also continued to carry out periodic reviews. Cashiering matters have been undertaken and the designated liquidation account has been reconciled.

Creditors

This is the third annual report to creditors to be prepared. It has also been necessary to deal with general creditor correspondence and telephone calls.

8. Joint Liquidators' remuneration and disbursements

Details of all resolutions passed by creditors in relation to remuneration and disbursements are included at Appendix C.

Remuneration

Post liquidation

We attach at Appendix B a creditors' guide to insolvency procedures and the remuneration of office holders for your information. The underlying basis of charging is our firm's standard charge-out rates for insolvency work and the guide provides details of these, both former and current. We believe that this case is of average complexity and no exceptional responsibility has fallen upon us as Joint Liquidators.

At Appendix E to this report, we attach details of the time expended during the period from 12 September 2015 to 11 September 2016 and at Appendix F we attach cumulative details for the period since our appointment to 11 September 2016. These breakdowns are provided in accordance with Statement of Insolvency Practice 9.

You will note that we have incurred time costs during the period 12 September 2015 to 11 September 2016 of £2,876 plus VAT and we have drawn £2,700 plus VAT on account of these costs as approved by creditors during the same period.

You will further note that we have incurred total time costs during the period since our appointment as liquidators to 11 September 2016 of £23,581.50 plus VAT and have drawn £22,550 plus VAT in total on account of these costs.

In considering the remaining work to be done in this liquidation, we currently anticipate that our time costs to complete the liquidation will be approximately £5,000. We will update creditors on this in our next report.

A copy of 'A Creditors' Guide to Liquidator's Fees' is available on request or can be downloaded from

www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees

No disbursements have been incurred during the period of this report.

Creditors' rights to request further information and challenge our remuneration and expenses.

Pursuant to Rule 4.49E of the Insolvency Rules 1986, creditors should note that they have the right to request further information regarding our remuneration and expenses under this Rule and to challenge our remuneration and expenses under Rule 4.131. Appendix B provides details of where creditors can access more detailed information regarding their rights to request further information and challenge our remuneration and expenses.

Statements of Insolvency Practice give guidance as to the required practice to be adopted by authorised insolvency practitioners. Accordingly, Bailey Ahmad would draw your attention to guides in relation to Office Holders' fees which are available for download from the R3 website at the following address:

<http://www.r3.org.uk/index.cfm?page=1210>

Creditors should select the "fees" link, which will direct them to a web page from which they can download the guide to liquidators' fees.

Further information can also be found at the following sites:

http://www.r3.org.uk/media/documents/publications/professional/Creditors_CVL.pdf

<http://www.creditorinsolvencyguide.co.uk/>

9 Assistance

If you require any assistance, please do not hesitate to contact a member of our team on 020 8662 6070 or email us at info@baileyahmad.co.uk.

Appendix A

Receipts and payments account

Contromec Services Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 12/09/2015 To 11/09/2016 £ | From 12/09/2013 To 11/09/2016 £ |
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| | REPRESENTED BY | | |
| | Vat Receivable | | 200 00 |
| | Bank 2 Current | | 6,372 08 |
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Appendix B

A creditors' guide to insolvency
procedures and the
remuneration of office holders

**Creditor guides to insolvency procedures and the remuneration of office holders
(England and Wales)**

R3 – Association of Business Recovery Professionals

The Association of Business Recovery Professionals, is the leading professional association for insolvency, business recovery and turnaround specialists in the UK. Known by its brand name 'R3', it promotes best practice for professionals working with financially troubled individuals and businesses.

Bailey Ahmad and its practitioners are members of R3 and would like to take this opportunity to draw your attention to a set of guides produced by R3 which explain the rights of unsecured creditors during an insolvency process. Creditors are able to download these guides from the R3 website at the following web addresses:

Administration

http://www.r3.org.uk/media/documents/publications/professional/Creditors_Administration.pdf

Administrative Receivership

http://www.r3.org.uk/media/documents/publications/professional/Creditors_admin_rec.pdf

Bankruptcy

http://www.r3.org.uk/media/documents/publications/professional/Creditors_bankruptcy.pdf

Compulsory Liquidation

http://www.r3.org.uk/media/documents/publications/professional/Creditors_CL.pdf

Creditors' Voluntary Liquidation

http://www.r3.org.uk/media/documents/publications/professional/Creditors_CVL.pdf

Statement of Insolvency Practice 9 – Remuneration of Office Holders in England and Wales

Statements of Insolvency Practice give guidance as to the required practice to be adopted by authorised insolvency practitioners. Accordingly, Bailey Ahmad would draw your attention to guides in relation to Office Holders' fees which are available for download from the R3 website at the following address:
<http://www.r3.org.uk/index.cfm?page=1210>

Creditors should select the "fees" link, which will direct them to a web page from which they can download the following guides:

- Guide to voluntary arrangement fees
- Guide to trustee in bankruptcy fees
- Guide to administrators' fees
- Guide to liquidators' fees

Bailey Ahmad fee and recharge rates

Where it is agreed by resolution of creditors or the creditors' committee that the office holders remuneration will be calculated by reference to the time properly arising in the administration, then such remuneration will be calculated in units of 6 minutes at the following hourly standard rates:

| Grade | From 1 July 2011 | Former rates |
|---------------------------|------------------|--------------|
| Director | £350 | £300 |
| Senior Manager | £300 | - |
| Manager | £250 | £200 |
| Senior Case Administrator | £175 | £150 |
| Case Administrator | £150 | £125 |
| Junior Case Administrator | £125 | £100 |
| Support | £80 | £75 |
| Cashier | £80 | - |

These are Bailey Ahmad's current charge out rates, which are shown exclusive of VAT. If you would like details of our historic charge out rates, please contact us on 020 8662 6070.

Disbursements

There are two types of disbursements, Category 1 and Category 2 disbursements. Category 1 disbursements are generally external supplies of incidental services that are specifically identifiable to the case against which they are being charged. These include insolvency bonds, swearing fees, redirection of mail, accommodation, subsistence, company searches, hire of external meeting rooms or any other miscellaneous item which is by nature a Category 1 disbursement paid out in respect of the administration of the estate. Creditor approval of Category 1 disbursements is not required.

Category 2 disbursements are those which, whilst being in the nature of expenses or disbursements include an element of shared or allocated costs. Approval of the committee, or the creditors if there is no committee, is required before Category 2 disbursements can be drawn. Bailey Ahmad will seek to recover the following Category 2 disbursements: Storage of company books and records at the insolvency practitioners' storage facility. The books and records will be stored in standard storage boxes and a storage fee of £5 plus VAT per box per month will be charged. This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after expiration of the statutory retention period. The recharge of travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate at 40p per mile. Other Category 2 disbursements such as photocopying will not be recharged.

Appendix C

Fee resolutions

The following resolutions were passed by creditors at the meeting of creditors held on 12 September 2013

Pre liquidation

"It was reported that Bailey Ahmad Limited's fee for convening the meetings of directors, shareholders and creditors and assisting the directors in the preparation of the report and statement of affairs was £5,000 plus VAT. The Joint Liquidators be authorised to draw this fee from asset realisations, subject to any third party contribution referred to in the notes to the statement of affairs "

Post liquidation

"In respect of post-appointment work, that the Joint Liquidators be remunerated on a time cost basis in accordance with the normal charge out rates for their practice. Any remuneration will be payable at the Liquidators' discretion from time to time out of any funds held by them "

"The Joint Liquidators to be reimbursed for any expenses or necessary disbursements properly charged and incurred in the course of carrying out their duties during the liquidation. These include category 2 disbursements as explained in the creditors' guide to fees previously despatched to creditors and are to be paid from the assets of the liquidation "

Appendix D

Notes to be read in conjunction with Statement of Insolvency Practice 9 fee breakdowns

The work that we have carried out as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we have dealt are set out briefly in our report.

It is our policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.

Examples of work which fall under each type of standard activity shown in the SIP 9 breakdowns are as follows:

Administration and Planning

Case planning, administrative set-up, appointment notification, maintenance of records, cashiering and statutory reporting.

Investigations

SIP 2 review and investigating antecedent transactions.

Realisation of assets

Identifying, securing and insuring assets, retention of title, debt collection and property, business and asset sales.

Creditors

Communication with creditors, dealing with creditors' claims and distributions.

Appendix E

SIP 9 summary of time costs
for the period 12 September
2015 to 11 September 2016

Time Entry - SIP9 Time & Cost Summary

CO06 - Contromec Services Limited
Project Code POST
From 12/09/2015 To 11/09/2016

| Classification of Work Function | Director | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|----------|---------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Admin & Planning | 1.40 | 2.80 | 3.30 | 5.70 | 13.20 | 2,223.50 | 168.45 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.20 | 0.90 | 0.70 | 0.00 | 1.80 | 417.50 | 231.94 |
| Investigations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Realisation of Assets | 0.00 | 0.80 | 0.20 | 0.00 | 1.00 | 235.00 | 235.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours | 1.60 | 4.50 | 4.20 | 5.70 | 16.00 | 2,876.00 | 179.75 |

Appendix F

Cumulative SIP 9 breakdown
of time costs from the
commencement of liquidation to
11 September 2016

Time Entry - SIP9 Time & Cost Summary

CO06 - Contromec Services Limited
Project Code POST
From 12/09/2013 To 11/09/2016

| Classification of Work Function | Director | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|--------------|--------------|----------------------------|----------------------------|---------------|------------------|-------------------------|
| Admin & Planning | 8.80 | 45.80 | 12.00 | 30.50 | 67.10 | 11 440.00 | 170.49 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 1.30 | 3.30 | 7.10 | 5.20 | 16.90 | 2,898.50 | 171.51 |
| Investigations | 0.70 | 0.80 | 3.20 | 1.00 | 5.70 | 1 082.50 | 189.91 |
| Realisation of Assets | 0.80 | 21.40 | 12.90 | 3.10 | 38.20 | 8 160.50 | 213.63 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours | 11.60 | 41.30 | 35.20 | 39.80 | 127.90 | 23,561.50 | 184.37 |