

## The Insolvency Act 1986

Liquidator's Progress  
Report**S. 192**Pursuant to section 192 of the  
Insolvency Act 1986

To the Registrar of Companies

For official use

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Company Number

04095282

Name of Company

(a) Insert full  
name of company

(a) FTSR Ltd (Formerly Cradlecraft Servicing)

(b) Insert full  
name(s) and  
address(es)We (b) Shane Biddlecombe & Gordon Johnston of HJS Recovery, 12-14  
Carlton Place, Southampton, Hampshire SO15 2EAthe liquidator(s) of the company attach a copy of our Progress Report under  
section 192 of the Insolvency Act 1986

Signed

Date 27 August 2013

Presenter's name,  
address and  
reference  
(if any)

For Official Use

Liquidation Section

Post Room

WEDNESDAY



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04/09/2013

#184

COMPANIES HOUSE

**Liquidators' Annual  
Progress Report to  
Creditors and  
Members**

**FTSR Ltd - (Formerly  
Cradlecraft Servicing)  
- In Liquidation  
27 August 2013**

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- A Receipts and Payments Account from 28 June 2012 to 27 June 2013
- B Cumulative Receipts and Payments Account from 28 June 2011 to 27 June 2013
- C Time Analysis from 28 June 2012 to 27 June 2013
- D Cumulative Time Analysis from 28 June 2011 to 27 June 2013
- E Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

## **1 Introduction and Statutory Information**

- 1 1 I, Shane Biddlecombe of HJS Recovery, was appointed as Joint Liquidator of FTSR Ltd - (Formerly Cradlecraft Servicing) (the **Company**) together with my partner Gordon Johnston on 28 June 2011. This report provides an update on the progress in the liquidation for the year ended 27 June 2013.
- 1 2 The principal trading address of the Company was Units F & F1, Darenth Works, Ray Lamb Way, Erith DA8 2LA. The business traded under the name Cradlecraft Servicing.
- 1 3 The registered office of the Company has been changed to 12/14 Carlton Place, Southampton, SO15 2EA and its registered number is 04095282.

## **2 Realisation of Assets**

### ***Plant, Machinery and Goodwill***

- 2 1 The Company's fixed plant and machinery and goodwill were valued by independent agents, Asset Recovery and Insolvency Limited who attributed a realisable value of £13,200. These assets were sold to Safe Permanent Access Limited, a company connected by common directors for the sum of £14,200 inclusive of VAT. To date, the sum of £9,093.73 has been received and the outstanding balance is anticipated shortly.

### ***Book Debts***

- 2 2 The Company had a debtor ledger with an estimated to realise value of £9,741. It transpired that the majority of these debts were paid into the Company's bank account prior to appointment and the remaining debts were of minimal value and proved irrecoverable.

### ***Cash at bank***

- 2 4 The sum of £3,500 has been received in respect of the balance held on the Company's bank account at the date of liquidation.

### ***Interest***

- 2 5 The sum of £19.03 has been received in gross interest on the liquidation bank account.

### ***Third party receipts***

- 2 6 The sum of £20,000 was paid in error to the Company's bank account after the date of liquidation. These funds were due to Safe and Permanent Access Limited and have subsequently been returned less the £24 transfer fee.

### ***VAT Refund***

- 2 7 The sum of £3,059 82 has been received in respect of a VAT refund due to the Company

### ***CVA distribution funds held***

- 2 8 The Company was in a Company Voluntary Arrangement ("CVA") prior to the liquidation and the sum of £3,059 82 is held in trust for the CVA creditors. These funds will be distributed shortly

## **3 Investigations**

- 3 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents
- 3 2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report

## **4 Creditors**

### ***Secured Creditors***

- 4 1 HSBC Bank plc holds a fixed and floating charge over the Company's assets. At the date of liquidation the indebtedness was estimated at £37,000 and was subsequently agreed at £32,863. The sum of £4,164 60 has been paid to HSBC Bank plc in accordance with the fixed charge and the balance is being paid by the directors under their personal guarantees

### ***Preferential Creditors***

- 4 2 There are no preferential claims in this matter

### ***Unsecured Creditors***

- 4 3 I have received claims totalling £370,767 from 4 creditors. I have yet to receive claims from 3 creditors whose debts total £20,010 as per the directors' statement of affairs
- 4 4 The Company granted a floating charge to HSBC Bank Plc on 16 August 2005. Accordingly I am required to create a fund out of the Company's net floating charge property for unsecured

creditors. However, the value of the Company's net floating charge property is nil as the recoveries relate to fixed charge assets and are therefore due to HSBC Bank Plc

- 4.5 I would confirm that no dividend to creditors other than the funds held in trust for the CVA creditors will be made in this case

## **5 Liquidator's Remuneration**

- 5.1 The Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation

- 5.2 My time costs for the period from 28 June 2012 to 27 June 2013 are £2,680.50. This represents 17.71 hours at an average rate of £151.36 per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation. To date, £4,755 has been drawn on account. In addition, disbursements have been incurred and paid as follows -

Specific Bond - £50

Courier fee - £145

Statutory Advertising - £195

- 5.3 The following activities have been undertaken

### **Administration and Planning**

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of appointment to creditors, members, employees and other interested parties,
- Reviewing available information to determine appropriate strategy,
- Setting up case files,
- Setting up and maintaining bank accounts

### **Realisation of Assets**

- Please refer to paragraph 2 of the report

## **Creditors**

- Recording and maintaining the list of creditors,
- Recording creditor claims
- Reporting to creditors and
- Dealing with creditor queries

5 4 Also attached as Appendix D is a cumulative Time Analysis for the period from 28 June 2011 to 27 August 2013 which provides details of my time costs since appointment

5 5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.hjsrecovery.co.uk/publications](http://www.hjsrecovery.co.uk/publications)

5 6 Attached as Appendix E is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

## **6 Liquidator's Expenses**

6 1 The sum of £200 has been incurred and paid to Coffin Mew LLP in relation to legal costs for advice given in respect of the ring fenced funds from the CVA. In addition, the sum of £500 has been incurred in respect of the valuation and sale of the Company's assets and remains outstanding

## **7 Creditors' rights**

7 1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report

7 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, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

**8 Next Report**

8.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully



**S Biddlecombe**  
Joint Liquidator

Enc



## Appendix E

### ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

#### PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

##### 1 Policy

Detailed below is HJS Recovery's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

##### 1.1 *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Manager, Administrator and/or an Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case

We have not utilised the services of any subcontractors in this case

##### 1.2 *Professional advisors*

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Asset Recovery and Insolvency Limited (valuation and disposal advice)	Hourly rate and disbursements
Coffin Mew (legal advice relating to ring fenced funds from CVA)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

## 1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by HJS Recovery for the provision of services which include an element of recharged overhead, for example, room hire or document storage.

## 2 Charge-out rates

A schedule of HJS Recovery's charge-out rates for this assignment effective from 31 May 2011 is detailed below.

	£
Insolvency Practitioners	350
Senior Managers & Managers	200 - 275
Supervisors	150 - 175
Administrators and Support Staff	50 - 125

Specialist departments within hjs accountants, such as Tax, VAT and Pensions, do sometimes charge a small number of hours to an assignment, should the Insolvency Partners require their expert advice. Their rates do vary however, the figures given below provide an indication of the rates charged per hour.

	£
Directors	110 - 175
Senior Managers & Managers	82 - 120
Supervisors	42 - 70
Administrators and Support Staff	20 - 40

Please note that we reserve the right to amend these rates from time to time during the course of the assignment, however any material amendments to these rates will be advised to creditors in the next statutory report.

Please note that this firm records its time in minimum units of 6 minutes.

**FTSR Ltd - (Formerly Cradlecraft Servicing)**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 28/06/2012 To 27/06/2013	From 28/06/2011 To 27/06/2013
<b>SECURED ASSETS</b>			
Uncertain	Goodwill	NIL	NIL
9,741 00	Book Debts	NIL	NIL
13,200 00	Plant & machinery	458 02	9,093 73
		458 02	9,093 73
<b>SECURED CREDITORS</b>			
(37,000 00)	HSBC Bank Plc	4,164 60	4,164 60
		(4,164 60)	(4,164 60)
<b>ASSET REALISATIONS</b>			
	VAT Refund	3,059 82	3,059 82
	Cash at Bank	NIL	3,500 00
	Bank Interest Gross	12 85	19 03
	3rd Party Receipts	NIL	20,000 00
		3,072 67	26,578 85
<b>COST OF REALISATIONS</b>			
	Specific Bond	NIL	50 00
	Preparation of S of A	NIL	2,916 67
	Office Holders Fees	NIL	4,755 00
	Office Holders Expenses	NIL	145 00
	Repayment of 3rd party receipts	NIL	19,976 00
	Legal Fees (1)	NIL	200 00
	Corporation Tax	156 60	156 60
	Statutory Advertising	NIL	195 00
	Bank Charges	24 00	48 00
		(180 60)	(28,442 27)
<b>UNSECURED CREDITORS</b>			
(429 45)	Trade & Expense Creditors	NIL	NIL
(10,000 00)	Mr P Wick	NIL	NIL
(10,000 00)	Mr D Ford	NIL	NIL
(110,129 91)	HM Revenue & Customs - CVA	NIL	NIL
(207,185 65)	HM Revenue & Customs - Post CVA	NIL	NIL
		NIL	NIL
<b>DISTRIBUTIONS</b>			
(100 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(351,904 01)</b>		<b>(814.51)</b>	<b>3,065 71</b>
<b>REPRESENTED BY</b>			
	Bank 1 Current		5 89
	Dividend Distrib funds to be held re CV		3,059 82
			<b>3,065.71</b>

**FTSR Ltd - (Formerly Cradlecraft Servicing)**  
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Statement of Affairs		From 28/06/2011 To 27/06/2013	From 28/06/2011 To 27/06/2013
	<b>SECURED ASSETS</b>		
Uncertain	Goodwill	NIL	NIL
9,741 00	Book Debts	NIL	NIL
13,200 00	Plant & machinery	9,093 73	9,093 73
		9,093 73	9,093 73
	<b>SECURED CREDITORS</b>		
(37,000 00)	HSBC Bank Plc	4,164 60	4,164 60
		(4,164 60)	(4,164 60)
	<b>ASSET REALISATIONS</b>		
	VAT Refund	3,059 82	3,059 82
	Cash at Bank	3,500 00	3,500 00
	Bank Interest Gross	19 03	19 03
	3rd Party Receipts	20,000 00	20,000 00
		26,578 85	26,578 85
	<b>COST OF REALISATIONS</b>		
	Specific Bond	50 00	50 00
	Preparation of S of A	2,916 67	2,916 67
	Office Holders Fees	4,755 00	4,755 00
	Office Holders Expenses	145 00	145 00
	Repayment of 3rd party receipts	19,976 00	19,976 00
	Legal Fees (1)	200 00	200 00
	Corporation Tax	156 60	156 60
	Statutory Advertising	195 00	195 00
	Bank Charges	48 00	48 00
		(28,442 27)	(28,442 27)
	<b>UNSECURED CREDITORS</b>		
(429 45)	Trade & Expense Creditors	NIL	NIL
(10,000 00)	Mr P Wick	NIL	NIL
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		NIL	NIL
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	<b>REPRESENTED BY</b>		
	Bank 1 Current		5 89
	Dividend Distrib funds to be held re CV		3,059 82
			<b>3,065 71</b>

## TIME AND CHARGE OUT SUMMARIES

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration & Planning	1 50	0 00	3 20	4 56	9 26	£1,515 50	£163 66
Realisations of assets	0 00	0 00	0 00	0 75	0 75	£67 50	£90 00
Creditors	0 00	0 00	2 10	0 00	2 10	£367 50	£175 00
Tax reviews	0 25	0 00	0 00	5 35	5 60	£730 00	£130 36
<u>Total</u>	<u>1 75</u>	<u>0 00</u>	<u>5 30</u>	<u>10 66</u>	<u>17 71</u>	<u>£2,680 50</u>	<u>£151 36</u>
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			
Previous Chargeout rates	£275 - £500	£150 - £200	£125	£50 - £105			

## TIME AND CHARGE OUT SUMMARIES

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration & Planning	2 60	0 00	9 97	16 41	28 98	£4,131.51	£142 56
Investigations	1 00	0 00	16 00	0 00	17 00	£3,150 00	£185 29
Realisations of assets	0 30	0 00	8 30	2 25	10 85	£1,768 75	£163 02
Creditors	1 50	0 00	6 00	0 42	7 92	£1,606.25	£202 81
Tax reviews	0 50	0 00	0 00	6 85	7 35	£952 50	£129 59
<b>Total</b>	<b>5 90</b>	<b>0 00</b>	<b>40 27</b>	<b>25 93</b>	<b>72 10</b>	<b>£11,609 01</b>	<b>£161 01</b>
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			
Previous Chargeout rates	£275 - £500	£150 - £200	£125	£50 - £105			

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