

**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

04186840

Name of Company

Direct Building Services Limited


I / We

A Turpin, 35 Ludgate Hill, Birmingham, B3 1EH

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 25/01/2014 to 24/01/2015

Signed



Date

23 3 15

Poppleton & Appleby  
35 Ludgate Hill  
Birmingham  
B3 1EH

Ref D4U/AT/TJL/MGM/JS/LG

WEDNESDAY



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25/03/2015

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COMPANIES HOUSE


**Direct Building Services Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 25/01/2014 To 24/01/2015	From 25/01/2012 To 24/01/2015
	<b>FIXED CHARGE ASSETS</b>		
22,333 00	Factored Book Debts	NIL	NIL
(15,130 00)	IGF Invoice Finance Limited - Advance	NIL	NIL
(47,920 00)	IGF Invoice Finance Limited - Loan	NIL	NIL
		NIL	NIL
	<b>ASSETS NOT PLEDGED</b>		
2,000 00	Cash in Hand	NIL	2,000 00
9,000 00	Plant & Equipment	NIL	6,750 00
115 00	Office Furniture & IT Equipment	NIL	NIL
4,750 00	Motor Vehicles	NIL	2,750 00
12,797 00	Book Debts	NIL	NIL
	Sundry Refunds	NIL	335 45
	VAT Recovery - Termination Charges	NIL	3,052 00
		NIL	14,887 45
	<b>COST OF REALISATIONS</b>		
	Agents Costs	NIL	1,911 70
	Statutory Advertising	NIL	209 25
	Statement of Affairs Fee	NIL	5,495 50
	Stationery, Printing & Carriage	NIL	108 95
	Specific Bond	NIL	90 00
	Storage Costs	NIL	315 00
	Re-Direction of Mail	NIL	27 20
	Motor Expenses	NIL	23 40
	Liquidators Fees	NIL	5,300 00
		NIL	(13,481 00)
	<b>PREFERENTIAL CREDITORS</b>		
(5,604 00)	Employees - Arrears of Wages	NIL	NIL
(3,874 00)	Employees - Arrears of Holiday Pay	NIL	NIL
		NIL	NIL
	<b>FLOATING CHARGE CREDITORS</b>		
(625 00)	Lloyds TSB Bank plc	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(120,974 00)	Trade & Expense Creditors	NIL	NIL
(100,046 00)	HM Revenue & Customs - PAYE/NIC/	NIL	NIL
(63,411 00)	HM Revenue & Customs - VAT	NIL	NIL
(23,215 00)	Employees - Redundancy	NIL	NIL
(30,170 00)	Employees - Pay in Lieu	NIL	NIL
(4,348 00)	Employees - Balance of Arrears of Wa	NIL	NIL
(22,074 00)	Directors Loan Accounts	NIL	NIL
(3,042 00)	Leasing Companies	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(2 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(389,440 00)</b>		<b>NIL</b>	<b>1,406.45</b>

Estate Bank A/c - Non Interest Bearing

1,406 45

1,406 45



A Turpin  
Liquidator

**TO ALL MEMBERS, CREDITORS AND  
THE REGISTRAR OF COMPANIES**

35 Ludgate Hill  
Birmingham B3 1EH  
T 0121 200 2962  
F 0121 236 8340

E [info@poppletonandappleby.co.uk](mailto:info@poppletonandappleby.co.uk)  
www.poppletonandappleby.co.uk

Our Ref: AT/TJL/MGM/JS/LG/D4U/4  
23 March 2015

Dear Sirs

**Direct Building Services Limited – In Creditors’ Voluntary Liquidation (“the Company”)**  
**Company Number: 04186840**  
**35 Ludgate Hill, Birmingham, B3 1EH**

In accordance with statutory requirements, I enclose a copy of my further annual Progress Report to Creditors. I would remind Creditors that I was appointed as Liquidator of the Company on 25 January 2012.

**Receipts and Payments Account**

I attach a copy of my Receipts and Payments Account for the current reporting period from 25 January 2014 to 24 January 2015, which incorporates a breakdown of all receipts and payments made.

**Fixed Charge Assets**

**Factored Book Debts**

As previously advised, the Company’s debtor ledger was subject to a Debt Purchase Agreement with IGF Invoice Finance Limited (IGF) dated 12 August 2011.

At the date of Liquidation, the outstanding sales ledger balance was £27,597 subject to outstanding advances of £15,130 due to IGF under the terms of their agreement excluding any termination charges and ongoing collection fees. In addition, IGF provided the Company with a Commercial Loan with an outstanding balance of £47,920.

Under its security IGF was entitled to consolidate the balances on both accounts against the outstanding sales ledger. As a result it was anticipated that there would be no prospect of any surplus available to Unsecured Creditors from the factored debts.

As previously reported, IGF has advised that its outstanding liability has been settled by the Director, Mr S Ashworth, under his personal guarantee. IGF have not reassigned the outstanding ledger to date, however, the Director, Mr S Ashworth will have a subrogated claim following settlement of the liability to IGF, as a result, in the event that there are any further realisable book debts these will be subject to the Director’s subrogated claim.

I, therefore, do not anticipate any realisations in this matter.

Continued

### **Assets Subject to Floating Charge**

In my last report, I provided in detail the asset realisations in this matter, therefore, this report will update Creditors on any further movements since that time

#### **Plant and Machinery**

The Company owned plant and equipment consisting of two scaffolding systems

The above assets were valued by my Agents and were estimated to realise £9,000 on a forced sale basis. I can report that realisations of £6,750 plus VAT have been achieved in respect of one of the scaffolding systems sold by private treaty

As previously reported, the remaining scaffolding system had proved unrealisable as following our Agent's initial valuation report they have been unable to locate the asset in question. In view of the fact these assets were under control of the former Directors at the time they went missing, recovery action against them was being considered

However, despite further enquiries it has not been possible to locate the asset in question and in view of the limited funds available and uncertainty of any successful outcome to any legal action, no further realisations have or will be achieved

#### **Motor Vehicles**

The Company owned five motor vehicles which were valued by my Agents and estimated to realise £4,750 on a forced sale basis

The vehicles were all relatively old and with high mileage and, as a result, have achieved realisations of £2,750 to date following the sale of four of the vehicles

One vehicle remained unsold, which again, following our Agents initial valuation, has been unable to be located. As above, in view of the fact these assets were under control of the former Directors at the time they went missing, recovery action against them was being considered

However, despite further enquiries it has not been possible to locate the asset in question and in view of the limited funds available and uncertainty of any successful outcome to any legal action, no further realisations have been achieved

### **Investigation**

As Liquidator, I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. There were no matters that justified further investigation in the circumstances of this appointment

### **Costs of Liquidation**

#### **Professional Fees**

Agents and Solicitors have been instructed during the course of the Liquidation. The scope of their engagement as well as the fees paid is summarised at Appendix C

Continued

The choice of professionals is based on their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they have been reasonable in the circumstances of the case.

### **Liquidator's Remuneration**

The costs of the Liquidation paid to date are detailed on the attached Receipts and Payments Account. Time costs for the period from 25 January 2014 to 24 January 2015 amount to £1,321. This equates to a total of 8 hours at an average charge out rate of £174 per hour. During this reporting period, I have not drawn any fees against my outstanding time costs.

The total time costs incurred by this firm in this matter amount to £20,928, which equates to 129 hours at an average charge out rate of £163 per hour. To date, I have drawn total fees of £5,300.

The basis for drawing my fees and expenses were approved by Creditors at the initial Creditors meeting and details of the date and content of the resolution passed has been circulated previously.

I can also confirm that the Statement of Affairs fee of £4,745 has been settled. The drawing of this fee and the basis of charge was approved at the initial meeting of Creditors. In addition, Brown Scanlan & Co, Accountants have been paid fees of £750 for their assistance with the preparation of the Statement of Affairs. I believe that the other costs of the procedure are self explanatory. However, if any further explanation is required I would be only too happy to provide it upon request.

I have attached as Appendix A, a schedule of the routine work undertaken by me as Liquidator to date.

In accordance with Statement of Insolvency Practice 9, I append to this report a detailed analysis of time spent on the liquidation for the reporting period of 25 January 2014 to 24 January 2015 as well as the entire period of the liquidation, being 25 January 2012 to 24 January 2015.

### **Outcome for Creditors**

#### **Secured Creditor – Lloyds TSB Bank plc ("The Bank")**

As previously advised, the Company granted a Debenture in favour of the Bank dated 12 August 2011 which was duly registered at Companies House on 13 August 2011 comprising Fixed and Floating Charges over the Company's assets.

At the date of my appointment, the Bank was owed approximately £625.

Provisions within the insolvency legislation require a Liquidator to set aside a percentage of any amounts available to a Floating Charge holder, for the benefit of the Unsecured Creditors, in cases where the Company granted the Floating Charge 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 (after deducting the associated Liquidation costs). Details of how much a Liquidator must set aside under the Prescribed Part have previously been circulated.

Continued

The Security granted by the Company, as set out above, was created after the Enterprise Act 2002 and, accordingly, the Prescribed Part rules would apply in relation to any Floating Charge realisations

However, since the balance of the Company's net property was less than £10,000, I am not required to distribute the Prescribed Part of the net property to Creditors if I think that the costs of distributing the Prescribed Part would outweigh the benefit to Creditors

In this instance, I was of the view that the costs of distribution would have been disproportionate and so did not make a distribution of the Prescribed Part of the net property to Unsecured Creditors

### **Preferential Creditor Claims**

The position as regards Preferential Creditors can be summarised best as follows

Number of Preferential Creditor Claims	Estimated Statement of Affairs Value of Preferential Claims	Final Value of Preferential Creditor Claims
1	£9,478	£3,252

There will be no return to Preferential Creditors in these proceedings after the costs associated with it

I can also confirm that no interest has been paid on these claims

### **Unsecured Creditors**

The position as regards Unsecured Creditors can be summarised best as follows

Number of Unsecured Creditor Claims	Estimated Statement of Affairs Value of Unsecured Claims	Final Value of Unsecured Creditor Claims
31	£360,443	£302,473

In accordance with Rule 11.7 of the Insolvency Rules 1986, I confirm that there will be no dividend declared for the Unsecured Creditors as funds realised have been allocated to pay the costs and fees of the procedure. There have been no returns to Shareholders

### **Crown Creditors**

I can confirm that the position as regards the claims from Crown Creditors was confirmed as follows

Number of Crown Creditor Claims	Estimated Statement of Affairs Value of Crown Creditor Claims	Final Value of Crown Creditor Claims
3	£163,457	£153,240

### **The Prescribed Part**

The outcome as regards the Prescribed Part has been dealt with above under the heading 'Secured Creditor'

Continued

**Conclusion**

The Liquidation is, for practical purposes complete and I have also circulated my Draft Final Report to Creditors

I have attached as Appendix B, a statement of Creditors' rights in relation to these proceedings

If you should require any further information concerning this liquidation then please do not hesitate to contact either myself or my Case Manager, M G Monaghan

Yours faithfully  
for and on behalf of  
**Direct Building Services Limited**



**Andrew Turpin**  
**Liquidator**



## **ROUTINE WORK ORDINARILY UNDERTAKEN IN MEMBERS AND CREDITORS VOLUNTARY LIQUIDATIONS**

### **1. Administration & Planning**

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence, e mails and telephone calls
- Maintaining physical case files and electronic case details in our computerised systems
- Review and storage
- Case bordereau reviews and maintenance
- Case planning and administration
- Case reviews
- Preparing reports to interested parties
- Convening and holding meetings of members and creditors and, where appropriate, the Committee

### **2 Cashiering**

- Maintaining and managing the Liquidator's cashbook and bank account(s)
- Ensuring statutory lodgements and taxation affair obligations are met

### **3 Creditors**

- Dealing with creditor correspondence, e mails and telephone calls
- Preparing reports to Creditors and other interested parties
- Maintaining Creditor information within our computerised systems
- Reviewing and adjudicating upon proofs of debt received from Creditors

### **4. Investigations**

- Review and storage of books and records
- Preparing a report pursuant to the Company Directors Disqualification Act (Not in a Members Voluntary Liquidation)
- Conduct investigations into suspicious transactions
- Reviewing books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of Creditors

### **5 Realisation of Assets**

- Corresponding with debtors (where appropriate) and attempting to collect outstanding book debts
- Liaising with the Company's bank regarding the closure of the accounts(s)
- Employment of Agents and Solicitors where appropriate to assist in dealing with the above

## STATUTORY DISCLOSURE REQUIREMENTS

Legislative requirements state that when an Insolvency Practitioner reports to Creditors, there are certain statutory statements he must make. In order to fully comply with these conditions, we have set out below the statements which apply in these proceedings in this Appendix, rather than in the report itself, with the intention of keeping the report informative for Creditors whom are more likely to be interested in the practical points arising in the insolvency.

### Comments as Regards Liquidator's Remuneration -

- I attach details of this firm's fee and disbursement recovery policy, which includes details of our current charge out rates
- Creditors/Members should note that a request for further information regarding my fees and expenses should be made within 21 days of receipt of this report, pursuant to Rule 4.49E of the Insolvency Rules 1986, details of which can be found on our website at [www.poppletonandappleby.co.uk](http://www.poppletonandappleby.co.uk) and selecting Creditors Login, Creditors Guidance Notes, Creditor/Members Rights and Rule 4.49E. A hard copy can be provided upon written request.
- Furthermore, I am obliged to advise Creditors/Members of their right to appeal the level of my remuneration and expenses, pursuant to Rule 4.131 of the Insolvency Rules 1986, a copy of which can be found on our website at [www.poppletonandappleby.co.uk](http://www.poppletonandappleby.co.uk) and selecting Creditors Login, Creditors Guidance Notes, Creditor/Members Rights and Rule 4.131. This allows Unsecured Creditors/Members, with the permission of the Court or with the concurrence of 5% or more of the Unsecured Creditors/Members (including the Creditor/Member instigating this process) to request further details as regards remuneration and expenses within the period of 21 days from receipt of this report. Secured Creditors have identical rights.
- Unsecured Creditors/Members, with either the permission of the Court or the concurrence of at least 10% of Creditors/Members may apply to Court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of the receipt of this report. Secured Creditors have identical rights.

# Professional Fees

Firm	Scope	Agreed fee structure	Budgeted Costs (£)	Professional Fees paid 25.01.2012 to 25.01.2015	Total Fees Paid	Accrued Time Costs and Disbs. not yet Billed	Further Fees Expected (Incl. Accrued but Unbilled Costs) (£)	Revised budget (£)
Go Industry Dovebid	Conducting a valuation of the Company's stock and reporting/overseeing sale	Time Cost and Disbursements	1,912 00	1,912 00	1,912 00	Nil	Nil	1,912 00
Totals			1,912 00	1,912 00	1,912 00	Nil	Nil	1,912.00

**Direct Building Services Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 25/01/2014 To 24/01/2015	From 25/01/2012 To 24/01/2015
<b>FIXED CHARGE ASSETS</b>		
22,333 00	Factored Book Debts	NIL
(15,130 00)	IGF Invoice Finance Limited - Advance	NIL
(47,920 00)	IGF Invoice Finance Limited - Loan	NIL
		NIL
<b>ASSETS NOT PLEDGED</b>		
2,000 00	Cash in Hand	2,000 00
9,000 00	Plant & Equipment	6,750 00
115 00	Office Furniture & IT Equipment	NIL
4,750 00	Motor Vehicles	2,750 00
12,797 00	Book Debts	NIL
	Sundry Refunds	335 45
	VAT Recovery - Termination Charges	3,052 00
		14,887 45
<b>COST OF REALISATIONS</b>		
	Agents Costs	1,911 70
	Statutory Advertising	209 25
	Statement of Affairs Fee	5,495 50
	Stationery, Printing & Carriage	108 95
	Specific Bond	90 00
	Storage Costs	315 00
	Re-Direction of Mail	27 20
	Motor Expenses	23 40
	Liquidators Fees	5 300 00
		(13,481 00)
<b>PREFERENTIAL CREDITORS</b>		
(5,604 00)	Employees - Arrears of Wages	NIL
(3,874 00)	Employees - Arrears of Holiday Pay	NIL
		NIL
<b>FLOATING CHARGE CREDITORS</b>		
(625 00)	Lloyds TSB Bank plc	NIL
		NIL
<b>UNSECURED CREDITORS</b>		
(120,974 00)	Trade & Expense Creditors	NIL
(100,046 00)	HM Revenue & Customs - PAYE/NIC/	NIL
(63,411 00)	HM Revenue & Customs - VAT	NIL
(23,215 00)	Employees - Redundancy	NIL
(30,170 00)	Employees - Pay in Lieu	NIL
(4,348 00)	Employees - Balance of Arrears of Wa	NIL
(22,074 00)	Directors Loan Accounts	NIL
(3,042 00)	Leasing Companies	NIL
		NIL
<b>DISTRIBUTIONS</b>		
(2 00)	Ordinary Shareholders	NIL
		NIL
(389,440 00)		1,406 45

Estate Bank A/c - Non Interest Bearing

1,406 45

1,406 45

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

A Turpin  
Liquidator

Time Entry - SIP9 Time & Cost Summary

D4U Direct Building Services Limited  
Project Code POST  
From 25/01/2012 To 24/01/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	4.30	4.40	56.35	0.00	65.05	10 154.50	156.10
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creators	0.40	0.20	26.45	0.00	27.05	4 181.00	154.57
Investigations	0.40	0.20	6.70	0.00	7.30	1 217.00	166.71
Realisations of Assets	4.60	5.10	17.20	0.00	26.90	5 027.50	186.90
Trading	0.00	0.00	2.17	0.00	2.17	348.00	160.00
Total Hours	9.70	9.90	108.88	0.00	128.47	20 928.00	162.90
Total Fees Claimed						5 300.00	
Total Disbursements Claimed						609.34	

# Time Entry - SLP9 Time & Cost Summary

## Category 2 Disbursements

D4U - Direct Building Services Limited  
Project Code POST  
From 25/01/2012 To 24/01/2015

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type and Purpose	Amount
28/11/2012	Nov Storage	17 50
31/08/2012	August Storage	17 50
30/03/2012	Mileage	11 70
26/09/2012	Sept Storage	17 50
31/07/2012	Storage July 2012	17 50
31/10/2012	Storage Oct 12	17 50
31/12/2012	Storage Dec 12	17 50
30/06/2012	Storage June 2012	17 50
29/01/2013	Jan 2013 Storage	17 50
30/03/2012	Mileage	11 70
28/02/2013	Storage Feb 13	17 50
31/03/2013	Storage Mar 13	17 50
30/04/2013	Storage Apr 13	17 50
31/05/2013	Storage May 13	17 50
30/06/2013	Storage June 13	17 50
31/07/2013	Storage Jul 13	17 50
31/08/2013	Storage Aug 13	17 50
30/09/2013	Sept 13	17 50
31/10/2013	Storage Oct 13	17 50
29/11/2013	Nov 13 Storage	17 50
31/12/2013	Dec 13 Storage	17 50
31/01/2014	Jan 14 Storage	17 50
28/02/2014	Feb 14 Storage	17 50
31/03/2014	Mar14 Storage	17 50
30/04/2014	Apr 14 Storage	17 50
30/05/2014	May 14 Storage	17 50
30/06/2014	June 14 Storage	17 50
31/07/2014	July Storage 14	17 50
29/08/2014	Aug 14 Storage	17 50
30/09/2014	Sept 14 Storage	17 50
31/10/2014	Oct 14 Storage	17 50
28/11/2014	Nov 14 Storage	17 50
31/12/2014	Dec 14 Storage	17 50
Total		565 90

# Time Entry - SIP9 Time & Cost Summary

D4U - Direct Building Services Limited  
Project Code POST  
From 25/01/2014 To 24/01/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	0.40	4.10	0.00	4.50	734.00	163.11
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of Assets	0.00	2.60	0.50	0.00	3.10	587.00	189.35
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>0.00</b>	<b>3.00</b>	<b>4.60</b>	<b>0.00</b>	<b>7.60</b>	<b>1,321.00</b>	<b>173.82</b>
<b>Total Fees Claimed</b>						<b>5,300.00</b>	
<b>Total Disbursements Claimed</b>						<b>609.34</b>	



# Time Entry - SIP9 Time & Cost Summary

## Category 2 Disbursements

D4U - Direct Building Services Limited  
Project Code POST  
From 25/01/2014 To 24/01/2015

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type and Purpose	Amount
31/01/2014	Jan 14 Storage	17 50
28/02/2014	Feb 14 Storage	17 50
31/03/2014	Mar14 Storage	17 50
30/04/2014	Apr 14 Storage	17 50
30/05/2014	May 14 Storage	17 50
30/06/2014	June 14 Storage	17 50
31/07/2014	July Storage 14	17 50
29/08/2014	Aug 14 Storage	17 50
30/09/2014	Sept 14 Storage	17 50
31/10/2014	Oct 14 Storage	17 50
28/11/2014	Nov 14 Storage	17 50
31/12/2014	Dec 14 Storage	17 50
Total		210 00