

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

THURSDAY



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23/07/2020

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COMPANIES HOUSE

### 1 Company details

Company number 0 4 2 2 2 7 7 9

Company name in full MANCHESTER ELECTRICAL CONTRACTORS LIMITED

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) MANUBHAI GOVINDBHAI

Surname MISTRY

### 3 Liquidator's address

Building name/number HORSFIELDS, BELGRAVE PLACE

Street 8 MANCHESTER ROAD

Post town BURY

County/Region GREATER MANCHESTER

Postcode B L 9 0 E D

Country ENGLAND

### 4 Liquidator's name ①

Full forename(s) HEMAL

Surname MISTRY

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ①

Building name/number HORSFIELDS, BELGRAVE PLACE

Street 8 MANCHESTER ROAD

Post town BURY

County/Region GREATER MANCHESTER

Postcode B L 9 0 E D

Country ENGLAND

① Other liquidator

Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 2	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

**7** Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

**X** **X**

Signature date

<sup>d</sup> 2	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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LIQ03

## Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **MANUBHAI GOVINDBHAI MISTRY**

Company name **HORSFIELDS**

Address **BELGRAVE PLACE**

**8 MANCHESTER ROAD**

Post town **BURY**

County/Region **GREATER MANCHESTER**

Postcode **B L 9 0 E D**

Country **ENGLAND**

DX

Telephone **01617633183**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**ANNUAL PROGRESS REPORT**  
**MANCHESTER ELECTRICAL CONTRACTORS LIMITED**  
**(IN CREDITORS' VOLUNTARY LIQUIDATION)**

**HORSFIELDS**  
**Belgrave Place**  
**8 Manchester Road**  
**Bury**  
**Lancashire**  
**BL9 0ED**  
**Email: [info@horsfields.com](mailto:info@horsfields.com)**  
**Telephone: 0161 763 3183**

## **Content**

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- Administration and Planning
- Realisation of Assets
- Creditors
- Fees and Expenses
- Creditors' Rights
- EU Regulations
- Conclusion

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- Appendix III - Detailed list of work undertaken in the period
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- Appendix VII - Expenses summary for period, cumulative & comparison with estimate

## **DEFINITIONS**

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The Joint Liquidator	Manubhai Govindbhai Mistry and Hemal Mistry of Horsfields
The Company	Manchester Electrical Contractors Limited (in Liquidation)
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 22 May 2019 to 21 May 2020

## EXECUTIVE SUMMARY

This report details the progress of the Liquidation from 22 May 2019 to 21 May 2020, hereafter referred to as the 'Review Period' and should be read in conjunction with previous reports. A summary of key information in this report is detailed below.

### Assets, excluding VAT where applicable

Asset	Estimated to realise per Statement of Affairs £	Realisations to date £	Anticipated future realisations £	Total anticipated realisations £
Cash at bank	100.00	6,400.52	Nil	6,400.52
Book debts	40,000.00	4,938.40	Uncertain	Uncertain
Stock and Tangible assets	500.00	1,500.00	Nil	1,500.00
Sundry Refund		3,390.84	Nil	3,390.84

### Expenses, excluding VAT where applicable

Expense	Amount per fees and expenses estimates £	Expense incurred to date £	Total anticipated expense £
Joint Liquidators' fee	16,484.00	20,383.00	Uncertain
Statement of Affairs fee	5,000.00	5,000.00	5,000.00
Bond fee	186.00	80.00	Uncertain
Statutory Advertising	253.80	185.52	Uncertain
Postage, printing and stationery	750.00	602.09	Uncertain

### Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Preferential creditors	0.00 pence in the £	Uncertain
Unsecured creditors	0.00 pence in the £	Uncertain

## ADMINISTRATION AND PLANNING

### Statutory information

Statutory information may be found at Appendix I.

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

## **Reporting**

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- This progress report.

## **Other administration tasks**

During the Review Period, the following material tasks in this category were carried out:

- Case reviews, etc.; and
- Correspondence with director regarding book debts.

## **REALISATION OF ASSETS**

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

### **Sundry refund**

A refund of £2,507.59 was received from Electricity North West in respect of a repayment by the Company.

## **CREDITORS**

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

### **Secured creditors**

The Company has not granted any charges over its assets.

### **Preferential creditors**

#### **Employee claims**

5 employees were made redundant on 11 May 2018. The relevant information for employees to submit claims has been made to the Redundancy Payments Office and information and help has been given to employees to enable them to submit their claims online.

The Director's Statement of Affairs show liability of £12,500.00 in respect of employees. Claims of £12,441.32 have been received from the Redundancy Office, of which £2,276.95 is claimed preferentially.

It is not yet certain whether there will be sufficient funds in this liquidation for the Joint Liquidators to make a distribution to preferential creditors.

## **Unsecured creditors**

The Director's Statement of Affairs state HM Revenue and Customs to be owed £11,029.09. A claim of £23,652.86 has been received.

The Director's Statement of Affairs show trade and expense creditors total £70,955.06, the bank £16,420.00 and the Director £50,000.00. Please be advised that proofs of debt are still being received and therefore the total value of unsecured claims is not known at present.

## **Dividend prospects**

It is not yet certain whether there will be sufficient funds to make a distribution to any creditors in this liquidation.

Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors.

The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this Liquidation.

## **FEES AND EXPENSES**

### **Pre-Appointment Costs**

#### **Fixed fee ratified by creditors.**

The creditors authorised the fee of £5,000.00 for assisting the director in calling the relevant meetings and with preparing the Statement of Affairs on 22 May 2019. This fee is yet to be drawn by the Joint Liquidators.

### **The Joint Liquidators' fees**

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. However, the Insolvency Practitioners' are involved in the day to day case work, in particular, where the issues are complex and litigious.

The basis of the Joint Liquidators' fees was approved by creditors at the virtual meeting on 22 May 2019 in accordance with the following resolution:

“THAT the basis of the Joint Liquidators' fees be fixed by reference to the time properly given by the Joint Liquidators and their staff in attending to matters as set out in the fees estimate, such time to be charged at the prevailing standard hourly charge out rates used by the firm at the time when the work is performed.”

The time costs for the period 22 May 2019 to 21 May 2020 total £4,264.00, representing 17 hours at an average hourly rate of £250.82. No remuneration has been drawn on account of time costs incurred.

The total time costs during the period of appointment amount to £20,383.00 representing 79 hours at an average hourly rate of £258.01 and a comparison between the original estimate, the review period and time costs to date is given at Appendix VI. The total time costs to date are detailed at Appendix V.



Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators' consider that:

- the original fees estimate is likely to be exceeded; and
- the original expenses estimate is likely to be exceeded.

The main reasons why the fee estimate has been exceeded are the enquiries and recoveries relating to the Company book debts, as referred to in this report, which were not anticipated to be as complex at the time of the creditors meeting on 22 May 2019.

As there are currently insufficient funds to discharge the Joint Liquidator's fees in full, although the fee estimate is likely to be exceeded, the Joint Liquidators do not presently intend to seek creditors' approval to fees in addition to that previously estimated.

### **Disbursements**

The disbursements that have been incurred and not yet paid during the period are detailed on Appendix VI. Also included in Appendix VI is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

The category 1 disbursements paid for in the period 22 May 2019 to 21 May 2020 total £0.00 are detailed at Appendix II and represent the reimbursement of actual out of pocket payments made in relation to the assignment.

The category 2 disbursements incurred but not paid for the period 22 May 2019 to 21 May 2020 total £219.10 and these may include an element of overhead charges in accordance with the resolution passed by creditors at a meeting held on 22 May 2019. The basis of calculation of this category of disbursement was disclosed to creditors prior to their approval.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' together with the firm's charge-out rate and disbursement policy may be obtained on request.

### **CREDITORS' RIGHTS**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

### **EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)**

The Company's centre of main interest was in the UK as their registered office address and their trading address was Unit 9 Schoolhouse, 2<sup>nd</sup> Avenue, Trafford Park, Manchester, M17 1DZ and therefore it is considered that the EU Regulations apply. These proceedings are main proceedings as defined in the EU Regulation.

## CONCLUSION

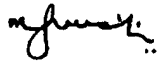
The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

### Summary of key issues outstanding

- There a number of outstanding book debts. Recovery from the book debts is uncertain and the Joint Liquidators also are aware of some of the debtors that are in formal insolvency processes. The Joint Liquidators are considering whether to instruct a solicitor for collection of certain of the remaining book debts.

If you require any further information, please contact this office.

Signed



M G Mistry  
Joint Liquidator

Date: 20 July 2020

## **Appendix I**

### **Statutory Information**

Company Name	Manchester Electrical Contractors Limited
Former Trading Name	As above
Company Number	04222779
Registered Office	c/o Horsfields, Belgrave Place, 8 Manchester Road, Bury, BL9 0ED
Former Registered Office	Unit 9 Schoolhouse, 2 <sup>nd</sup> Avenue, Trafford Park, Manchester, M17 1DZ
Office holders	Manubhai Govindbhai Mistry and Hemal Mistry
Office holders' address	Horsfields, Belgrave Place, 8 Manchester Road, Bury, BL9 0ED
Date of appointment	22 May 2019

## Appendix II

### Receipts and Payments account for the period 22 May 2019 to 21 May 2020

	Statement of Affairs	22 May 2019 to 21 May 2020	Total
	£	£	£
<b>Receipts</b>			
<b>Uncharged assets</b>			
Balance brought forward		13,762.12	
Cash at bank	100		6,400.52
Book debts	40,000		4,938.40
Stock and Tangible assets	500		1,500.00
Sundry refund		2,507.59	3,390.84
Bank interest		27.84	45.42
VAT (on above where applicable)			325.00
	<u>40,600</u>	<u>16,297.55</u>	<u>16,600.18</u>
<b>Payments</b>			
Liquidators' disbursements - Category 1			
Statutory advertising			185.52
Liquidators' bond fee			80.00
VAT - on above where applicable			37.11
		<u>0.00</u>	<u>302.63</u>
Balance		16,297.55	16,297.55

## Appendix III

### Detailed list of work undertaken for Manchester Electrical Contractors Limited - In Creditors' Voluntary Liquidation for the Review Period

Below is detailed information about the tasks undertaken by the Joint Liquidators.

<b>General Description</b>	<b>Includes</b>
<b>Statutory and General Administration</b>	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Maintenance of the estate cash book Banking remittances
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Reports	Preparing annual progress report to creditors
<b>Realisation of Assets</b>	
Debtors	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers
Other assets	Recovery of sundry debtor re overpayment by Company
<b>Creditors and Distributions</b>	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO
Dealing with proofs of debt ("POD")	Receipting and filing POD when not related to a dividend
Processing proofs of debt	Receipt of POD
<b>VAT and taxation</b>	Filing of relevant returns and forms with HM Revenue & Customs

## **Current Charge-out Rates for the firm**

### **Time charging policy**

Support staff do charge their time to each case.

Support staff include cashier, secretarial and administration support.

The minimum unit of time recorded is 6 minutes.

<b>Staff</b>	<b>Charge out rate per hour from 6 April 2019 £</b>
Insolvency Practitioner	380.00
Directors	380.00
Managers	260.00
Administrators	220.00
Assistants and support staff	150.00

# Appendix IV

## Time cost information

Activity description	Hourly rate £							Total	Total Value	Average Rate
	IP 1	IP 2	Manager 1	Administrator 1	Administrator 2	Other Staff				
	£345	£380	£260	£200	£220	£135				
Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	£	£	
Job acceptance & strategy	1.3	0	0	0	0	0	1.3	448.50	345.00	
Immediate tasks	3	0	0	0	0	0	3	1,035.00	345.00	
Property	1.2	0	0	0	0	0	1.2	414.00	345.00	
Debtors	5.2	0.5	0	0.9	1.2	0	7.8	2,428.00	311.28	
Other assets	2.1	0.2	0	5.4	0	0	7.7	1,880.50	244.22	
Creditors	0	0.1	0	0.7	0	0	0.8	178.00	222.50	
Investigations & CDDA	1.1	0	0	0.3	0	0	1.4	439.50	313.93	
Employee matters	4.1	0	0	0	0	0	4.1	1,414.50	345.00	
Accounting & administration	5.8	2.4	1.8	28.7	11.8	0	50.5	11,717.00	232.02	
Statutory duties	0	1	0	0	0	0	1	380.00	380.00	
VAT & taxation	0	0	0.1	0	0.1	0	0.2	48.00	240.00	
	23.8	4.2	1.9	36	13.1	0	79			
Value £	£8,211.00	£1,596.00	£494.00	£7,200.00	£2,882.00	£0.00		£20,383.00	258.01	

**Appendix V**

**Time costs summary for period, cumulative & comparison with estimate for Manchester Electrical Contractors Limited - In Creditors Voluntary Liquidation**

	Original fees estimate			Actual time costs incurred during the Review Period			Total time costs incurred to date		
Work category	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	30.4	245.20	7,454.00	15.2	247.89	3,768.00	55.8	243.38	13,580.50
Realisation of assets	11	239.55	2,635.00	1.6	270.00	432.00	16.7	285.78	4,722.50
Creditors (incl. employees)	18	256.39	4,615.00	0.1	380.00	38.00	4.9	325.00	1,592.50
Investigations	3	296.67	890.00				1.4	313.93	439.50
VAT and taxation	3	296.67	890.00	0.1	220.00	22.00	0.2	240.00	48.00
<b>Total</b>	<b>65.4</b>	<b>252.05</b>	<b>16,484.00</b>	<b>17</b>	<b>250.82</b>	<b>4,264.00</b>	<b>79</b>	<b>258.01</b>	<b>20,383.00</b>



**Appendix VI**

**Expenses summary for period, cumulative & comparison with estimate  
for Manchester Electrical Contractors Limited - In Creditors' Voluntary Liquidation**

Below are details of the Joint Liquidators' expenses, excluding VAT where applicable for the Review Period and the period to date.

<b>Expenses</b>	<b>Original expenses estimate £</b>	<b>Actual expenses incurred in the Review Period £</b>	<b>Actual expenses incurred to date £</b>	<b>Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)</b>
<b>Category 1 Expenses</b>				
Advertising	253.80		185.52	
Bonding	186.00		80.00	
<b>Category 2 Expenses</b>				
Printing, postage and stationery	750.00	219.10	602.09	