

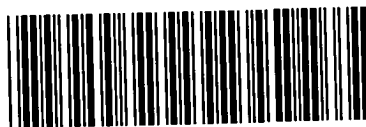
LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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25/06/2020

#155

COMPANIES HOUSE

1 Company details

Company number 0 4 4 0 7 2 5 9

Company name in full Linear Roadmarkings Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Andrew Peter

Surname Smith

3 Liquidator's address

Building name/number Totemic House

Street Springfield Business Park

Post town Caunt Road

County/Region Grantham

Postcode N G 3 1 7 F Z

Country

4 Liquidator's name ①

Full forename(s) Kenneth Webster

Surname Marland

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Totemic House

Street Springfield Business Park

Post town Caunt Road

County/Region Grantham

Postcode N G 3 1 7 F Z

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

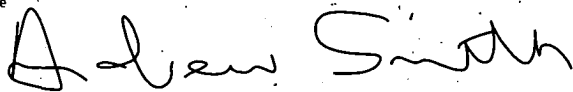
6 Period of progress report

From date	d	2	d	8	m	0	m	4	y	2	y	0	y	1	y	9
To date	d	2	d	7	m	0	m	4	y	2	y	0	y	2	y	0

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	Signature	X		X												
Signature date	d	2	d	5	m	0	m	6	y	2	y	0	y	2	y	0

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 **Andrew Peter Smith**Company name **Harrisons**Address
Totemic House
Springfield Business ParkPost town **Caunt Road**County/Region **Grantham**Postcode **N G 3 1 7 F Z**

Country

DX

Telephone **01476 574149****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 or email 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



Linear Roadmarkings Limited - In Liquidation (the Company)

Joint Liquidators Progress Report

For the Period: 28 April 2019 to 27 April 2020

Registered Office

c/o Harrisons
Totemic House
Springfield Business Park
Caunt Road
Grantham
NG31 7FZ

Registered Number

04407259

Date of Liquidation

28 April 2017

Appointment Details

Andrew Peter Smith
Joint Liquidator

Harrisons
Totemic House
Springfield Business Park
Caunt Road
Grantham
NG31 7FZ

Appointed: 28th April 2017

Kenneth Webster Marland
Joint Liquidator

Harrisons
Totemic House
Springfield Business Park
Caunt Road
Grantham
NG31 7FZ

Appointed: 28th April 2017

Changes to Office Holders

No changes since commencement of liquidation.

Introduction

The Company was placed into Creditors Voluntary Liquidation on 28 April 2017.

Andrew Peter Smith and Kenneth Webster Marland were appointed Joint Liquidators of the Company on 28 April 2017 by members and creditors.

Office Holders Contact Details

The Joint Liquidators may be contacted using the relevant contact details provided at the top of this report.

Progress of the Liquidation

This is the Joint Liquidators' third annual Progress Report to members and creditors in this matter, pursuant to Section 104A Insolvency Act 1986 as amended and Rule 18.7 Insolvency Rules 2016 as amended.

Our Progress Reports for the years ending 27th April 2018 and 2019 are still available on our website and can be accessed using the same security details used to access this Report.

The purpose of this Progress Report is to provide members and creditors with an update on the progress made in the Liquidation in the period under review, which is summarised below. Information previously provided will only be repeated where it aids understanding of progress since the last Report.

Lloyds Bank Compensation Payment

It was our intention to close the liquidation following the distributions to preferential, floating charge and unsecured creditors; however, we were made aware of a potential compensation payment by Lloyds Bank.

The compensation was due to the bank not sending the Company information that it should have, for a period of time.

The compensation payment was received just outside of this reporting period and for completeness, it is confirmed the sum of £1,408.84 was received, together with interest on that payment of £620.05.

Now that the payment has been received, it is our intention to take steps to close the liquidation.

Investigations

There are no further matters which the Liquidators consider required any investigation in the current period.

If any creditor is aware of any matters which might require investigation, they should inform the Liquidators immediately, providing documentary evidence in support of their claims.

Assets Realisations that Remain Outstanding

We are not aware of any asset realisations that remain outstanding and as such we intend to take

steps to close the Liquidation in the near future.

Creditor Claims & Outcome for Creditors

Preferential creditor claims, which are made up of employees claims for arrears of pay as well as holiday pay accrued and not taken, have been agreed at £4,986.12. A first and final dividend at a rate of 100p in the £ was declared to Preferential Creditors on 23rd January 2019.

Lloyds Bank Plc, who has the benefit of a debenture conferring a fixed and floating charge over all assets of the Company created 3 March 2004 and registered at Companies House on 10 March 2004, submitted a claim in the liquidation for the sum of £63,719.52.

It should be noted that the directors have since discharged the liability to Lloyds Bank Plc in full under personal guarantees given to the bank. As a result, they are subrogated creditors and effectively stand in the shoes of the bank, retaining the benefit of the banks security. The sum of £64,103.58 was paid by the directors to discharge the debt and ultimately agreed as their claim in the Liquidation.

A first and final dividend was declared to the floating charge holder at a rate of 100p in the £ on 23rd January 2019.

Lloyds Commercial Finance Limited also has the benefit of a debenture conferring a fixed and floating charge over all assets and securing all monies due to them. Created 30th March 2012 and registered at Companies House on 7th April 2012. The liability to Lloyds Commercial Finance Limited was discharged in full prior to liquidation following the sale of their asset in the lead up to liquidation.

It should be noted that the Prescribed Part pursuant to Section 176A of the Insolvency Act 1986 as amended applies to this liquidation, which is where part of the funds available to the floating charge holder are made available to unsecured creditors. However, the calculation in practical terms is not necessary as even after the deduction of the Prescribed Part there are sufficient funds to discharge the floating charge liability in full with additional funds available thereafter for unsecured creditors.

For completeness we advise that the value of the Prescribed Part is £23,043.68, with a further £12,806.32 available to be distributed to unsecured creditors. The total funds available to be distributed to unsecured creditors are therefore £35,850.

The Company's unsecured creditor claims were anticipated to be in the region of £137,464 per the Statement of Affairs (SoA) sworn by the directors. Claims received to date amount to £137,120.67, with total unsecured claims projected to be in the region of £173,179 based on information currently available.

Unsecured claims received and the overall level of projected unsecured creditor claims are higher than anticipated largely due to increased claims from H M Revenue & Customs and the claims of employees in relation to redundancy and pay in lieu of notice for which no provision was initially made.

A first and final dividend was declared on agreed unsecured creditor claims of £137,120.67 on 23rd January 2019 at a rate of 26.14p in the £.

In light of the compensation claim that has been received there may be a small residual balance that remains in the liquidation once all costs have been paid in full. As that balance is likely to be minimal, it is likely it will be paid to the Insolvency Service as un-distributable funds.

Basis of Remuneration

This firm's fee for assisting the director(s) in convening meetings of members and creditors to place the Company into liquidation and assisting in the preparation of the Statement of Affairs of £4,000 plus VAT was agreed to be paid out of the assets of the company by creditors at a meeting of creditors held on 28th April 2017.

This fee has been paid in full.

At the same meeting of creditors, it was also resolved that the Joint Liquidators remuneration be based on time expended on the case by them and their staff subject to a cap of £18,562.50 per the Fee Estimate provided to creditors.

Time costs incurred in the period under review are £1,175. This relates to 3.00 chargeable hours at an average charge out rate across all grades of staff of £391.67 per hour.

Total time costs incurred to 27th April 2020 are £20,200. This relates to 47.40 chargeable hours at an average charge out rate across all grades of staff of £426.16 per hour.

Total fees of £16,500 plus VAT have been drawn to date, with the balance outstanding.

The time costs incurred have slightly exceeded the amount quoted in the Fee Estimate provided at the outset of the liquidation. This is down to the unanticipated complexity involved in calculating the final balance owed on the director's loan account, unexpected time spent pursuing Kier for payment of the amount due to the Company and complexity involved in the payment of a dividend to creditors on the basis the dividend included dealing with subrogated claims and the setting-off of the amount due to the directors due to subrogation and the amount owed in respect of the loan account.

The Liquidators will shortly take steps to close the Liquidation. It is not anticipated that we will revert to creditors with a revised Fee Estimate to increase the remuneration that can be charged by the Liquidators despite time costs incurred exceeding the amount quoted in the Fee Estimate on the basis all that remains is to close the Liquidation, and any residual balance remaining from which to discharge the increase in fees negligible with costs associated with seeking an increase disproportionate. Should that position change, we may revert to creditors.

An analysis of time expended on the case since liquidation to 27 April 2020, in accordance with the principles set out in Statement of Insolvency Practice 9, is appended to this Progress Report (Appendix 2).

'A Creditors Guide to Liquidators Fees' is available on our website and can be accessed using the same security details used to access this report.

Our charge out rates are £600 per hour for time expended on a case by a Partner, £500 per hour for time expended on a case by a Manager and £250 per hour for time expended on a case by an Administrator. Time is charged in 6 minutes units.

Statement of Expenses Incurred

The following table details expenses that have been incurred by the Joint Liquidators in the period covered by this report. The table also details the value of expenses that have been discharged by monies received from realisations and the balance that remains outstanding:

Description of Expense	Cost Incurred (£)	Cost Discharged (£)	Balance O/S (£)
Balance b/f	12,647.74	12,647.76	0.00
TOTAL	12,647.76	12,647.76	0.00

All expenses are stated net of VAT. Due to the Company being VAT registered, any VAT charged may be reclaimed from H M Revenue & Customs.

All disbursements are classed as Category 1, being specific items of expenditure directly referable both to the appointment in question and payment having been made to an independent third party.

The Joint Liquidators' Fee Estimate set out anticipated expenses totalling £4,462, however the Fee Estimate does not act as a cap on the amount of expenses which can be incurred and paid.

The expenses incurred are significantly higher than originally estimated. The main reason for this is the Agents Fees. As outlined in earlier reports, the Company instructed the agents prior to liquidation to value and sell its assets, which they duly did. Their invoice in relation to the service provided was not raised until after the Company entered liquidation. This is a timing issue and it is for this reason the cost was not originally allowed for.

Aside from Agent Fees, expenses have been significantly less than originally estimated.

Joint Liquidators Receipts & Payments Account

The Joint Liquidators Receipts and Payments Account for the period 28 April 2019 to 27 April 2020 is appended to this Report, together with a cumulative account for the full period of liquidation to 27 April 2020 (Appendix 1).

The account is self-explanatory.

Creditors' Rights to Request Further Information and to Challenge the Liquidators Remuneration Pursuant to Rules 18.9 and 18.34 of the Insolvency Rules 2016 as Amended

Rule 18.9: Request for Further Information

(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14—

- (a) A secured creditor;
- (b) An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) Members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) Any unsecured creditor with the permission of the court; or
- (e) Any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) Providing all of the information requested;
- (b) Providing some of the information requested; or
- (c) Declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) The time or cost of preparation of the information would be excessive; or
- (b) Disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) Disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) The office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) The office-holder giving reasons for not providing all of the information requested; or
- (b) The expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Rule 18.34: Challenge the Joint Trustees Remuneration

(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) The remuneration charged by the office-holder is in all the circumstances excessive;
- (b) The basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) The expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) A secured creditor,
- (b) An unsecured creditor with either—
 - (i) The concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) The permission of the court, or

(c) In a members' voluntary winding up—

- (i) Members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
- (ii) A member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Dated: 25 June 2020

Appendix 1

Linear Roadmarkings Limited - In Liquidation

Joint Liquidators' Receipts & Payments Account

Linear Roadmarkings Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 28/04/2019 To 27/04/2020 £	From 28/04/2017 To 27/04/2020 £
	ASSET REALISATIONS	
	Bank Interest Gross	8.13
7,042.82	Book Debts	NIL
Uncertain	Director Loan Account	NIL
83,525.00	Tangible Assets	NIL
		<u>8.13</u>
		317.27
		27,217.68
		29,461.00
		83,525.25
		<u>140,521.20</u>
	COST OF REALISATIONS	
	Agents/Valuers Fees (1)	NIL
	Office Holders Expenses	NIL
	Office Holders Fees	2,500.00
	Preparation of S. of A.	NIL
	Statutory Advertising	NIL
		<u>(2,500.00)</u>
		12,039.13
		537.63
		16,500.00
		4,000.00
		71.00
		<u>(33,147.76)</u>
	PREFERENTIAL CREDITORS	
	Director / Employee Arrears	NIL
	Redundancy Payments Office	NIL
		<u>NIL</u>
		831.86
		4,154.26
		<u>(4,986.12)</u>
	FLOATING CHARGE CREDITORS	
(61,274.02)	Lloyds Bank Plc	NIL
		<u>NIL</u>
		64,103.58
		<u>(64,103.58)</u>
	UNSECURED CREDITORS	
(8,277.98)	Banks/Institutions	NIL
(12,960.00)	Directors (Redundancy)	NIL
(18,483.00)	Employees (Redundancy)	NIL
(1,976.03)	H M Revenue & Customs (CT)	NIL
(2,673.61)	H M Revenue & Customs (PAYE)	NIL
(47,835.42)	H M Revenue & Customs (VAT)	NIL
	Redundancy Payments Office	NIL
(45,258.24)	Trade & Expense Creditors	NIL
		<u>NIL</u>
		516.20
		1,514.57
		13,970.47
		9,330.16
		10,518.60
		<u>(35,850.00)</u>
	DISTRIBUTIONS	
(2.00)	Ordinary B Shareholders	NIL
(100.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
		NIL
		<u>NIL</u>
<u>(108,272.48)</u>		<u>(2,491.87)</u>
		2,433.74
	REPRESENTED BY	
	Bank 1 Current	1,933.74
	Vat Receivable	500.00
		<u>2,433.74</u>

Appendix 2

Linear Roadmarkings Limited - In Liquidation

Joint Liquidators' Time Analysis

Time Analysis

LINEARR - Linear Roadmarkings Limited
All Post Appointment Project Codes
To: 27/04/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.40	3.70	0.00	2.30	6.40	2,665.00	418.41
Closing Case	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	9.20	0.00	1.90	11.10	5,075.00	457.21
Dividends & Distributions	0.10	4.50	0.00	2.00	6.60	2,810.00	425.76
Investigations	0.00	4.20	0.00	3.70	7.90	3,025.00	382.91
Realisation of Assets	0.50	10.40	0.00	4.50	15.40	6,625.00	430.19
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	1.00	32.00	0.00	14.40	47.40	20,200.00	428.16
Total Fees Claimed						16,600.00	
Total Disbursements Claimed						0.00	

Summary of chargeout rates for staff members involved with this case.

Grade Category	Minimum Rate	Maximum Rate
Partner	600	600
Manager	500	500
Assistants & Support Staff	250	250