

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A12 *A7E2E1JZ* #148
08/09/2018
COMPANIES HOUSE

| | | |
|----------------------|--|---|
| 1 | Company details | |
| Company number | 0 4 5 9 9 6 2 1 | → Filing in this form Please complete in typescript or in bold black capitals. |
| Company name in full | Rylatt Automotive Limited t/a Rylatt & Sons | |
| 2 | Liquidator's name | |
| Full forename(s) | Kenneth Webster | |
| Surname | Marland | |
| 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) | John Neil | ① Other liquidator Use this section to tell us about another liquidator. |
| Surname | Harrison | |
| 5 | Liquidator's address ② | |
| Building name/number | Totemic House | ② Other liquidator Use this section to tell us about another liquidator. |
| Street | Springfield Business Park | |
| Post town | Caunt Road | |
| County/Region | Grantham | |
| Postcode | N G 3 1 7 F Z | |
| Country | | |

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6 Period of progress report

| | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| From date | ^d 1 | ^d 4 | ^m 0 | ^m 7 | ^y 2 | ^y 0 | ^y 1 | ^y 7 |
| To date | ^d 1 | ^d 3 | ^m 0 | ^m 7 | ^y 2 | ^y 0 | ^y 1 | ^y 8 |

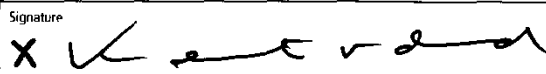
7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X  X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 0 | ^d 6 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 1 | ^y 8 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

Harrisons

Business recovery and insolvency specialists

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

T 01476 574149
F 0845 0893489
E grantham@harrisonsinsolvency.co.uk
W www.harrisonsinsolvency.co.uk

Partners
J N Harrison FCA MIPA FABRP
K W Marland MIPA FABRP
A P Smith MAAT MIPA MABRP

Rylatt Automotive Limited t/a Rylatt & Sons – in Liquidation **Joint Liquidators Progress Report** **For the Period: 14th July 2017 to 13th July 2018**

Registered Office

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

Registered Number

04599621

Date of Liquidation

14th July 2016

Appointment Details

Kenneth Webster Marland
Joint Liquidator

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

Appointed: 14th July 2016

John Neil Harrison
Joint Liquidator

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

Appointed: 14th July 2016

Changes to Office Holders

No changes since commencement of liquidation.

Progress of the Liquidation

Introduction

This Progress Report is designed to provide members and creditors with an update on the progress made in the liquidation in the period under review, being 14th July 2017 to 13th July 2018. Information provided in previous reports will not therefore be repeated.

Members and creditors may recall that in the lead up to liquidation we had great difficulty in obtaining accurate information as to the level of the Company's assets and liabilities.

This was in part caused by the fact the Company's accounting software was inaccessible due to the non-payment of software license fees.

In addition, James Rylatt, the director with day to day control and full knowledge of the Company's finances had been admitted on to a psychiatric ward in hospital and was unable to assist in providing the relevant information in the lead up to Liquidation.

For the purposes of the Statement of Affairs, book values for tangible assets and shares & investment assets was taken from accounts filed at Companies House for the year ending 30th June 2014 with estimated to realise figures provided by independent agents.

Creditor information was ultimately taken from a creditor ledger prepared as at 30th April 2016, creditor mail collected from the Company's trading premises, creditors who have contacted Harrisons direct in the lead up to Liquidation as well as a general provision for unknown liabilities.

Office Holder Contact Details

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

Asset Realisations

HP Asset: Citroen Dispatch Van AE63 VUS

As detailed in our last Progress Report, the Citroen Dispatch Van held by the Company on a Hire Purchase Agreement with Blackhorse had been sold by Blackhorse.

The surplus sales proceeds of £159.99 have been received by the Liquidators in the current reporting period.

Shares & Investments

Shares & Investment represent the Company's 100% shareholding in Chary Ventures Limited and the accounts filed by the directors of Chary Ventures Limited for the year ending 31st December 2017 continue to show a balance sheet value of nil.

James Rylatt has suggested he is interested in acquiring the shares. In light of the balance sheet value of Chary Ventures Limited, the realisable value is likely to be minimal.

Registration RY59 LAT

It has come to our attention that the Company owns a registration plate RY59 LAT.

James Rylatt has expressed an interest in acquiring the plate. Accordingly the Liquidators will seek to value the registration plate and enter into negotiations with James Rylatt accordingly.

Investigations

Review of Bank Statements and Other Credit Facilities

In our previous Progress Report it was disclosed that we had identified four bank accounts with NatWest, a credit card account with NatWest and a bank account with HSBC Bank.

We advised that some bank statements had been recovered from the trading premises and that we were in the process of obtaining statements covering the 6 month period prior to liquidation, for review.

We also advised that the review of the bank statements for the 6 months prior to liquidation would determine if any further investigatory work was required and if nothing of relevance came to our attention then we anticipated we would take steps to close the liquidation and creditors were invited to object to this course of action by contacting the Joint Liquidators or Andrew Smith within 28 days of the date of this report. No such objections were received.

A review of the NatWest bank statements shows no transactions of concern.

No NatWest Credit Card or HSBC Bank statements have been received, despite repeated requests.

We do hold HSBC Bank statements up to December 2015, which show an overdrawn balance of £30,000. It is our understanding that the overdraft facility was withdrawn by the bank, which was ultimately discharged by the Company via funds sourced from other lenders in the early part of 2016. The account was subsequently closed.

In respect of the NatWest credit card account, we hold statements to January 2016. The liability on the account at that time was £5,542 and the historic statements suggest the balance was cleared monthly by direct debit.

Reviews of the monthly direct debt payments between January 2016 to June 2016 show payments to clear the liability in the region of £5,500 each month. The liability on the account at liquidation was £5,901, being one month's transactions.

The bank account from which the direct debit payments were made was overdrawn at the point of liquidation by £16,673. In addition there is a NatWest loan account with a liability of £18,922 at liquidation. Both directors had provided personal guarantees to the bank of up to £45,000. Despite not being able to review the credit card statements the Liquidators are satisfied that in light of the credit card liability being discharged from a bank account for which the directors are personally liable, any payments that may have been made that did not relate to the Company will ultimately be discharged by the directors personally under their guarantees.

To summarise our investigations, there has been no suggestion that the Rylatt family have directly benefited as a result of the trading or the insolvency of the Company nor, based on the information available have we identified any act that we consider constitutes misfeasance or wrongful trading.

Accordingly it is our intention to resolve the matters in relation to the private registration plate and shares in Chary Ventures Limited and thereafter takes steps to close the liquidation.

Assets Realisations that Remain Outstanding

Full details of asset realisations made to date as well as asset realisations and investigations that are ongoing, are outlined above.

Creditor Claims & Outcome for Creditors

Preferential creditor claims relate to employee claims for holiday pay and arrears of wages. Claims received amount to £2,642.

NatWest Bank Plc has the benefit of a debenture conferring a fixed and floating charge over all assets of the Company securing all monies due or to become due, which was created 5th October 2010 and registered on 14th October 2010. NatWest have proven at £37,667.

PSA Wholesale Limited has the benefit of a floating charge over all assets of the Company created 27th August 2013 and registered on 28th August 2013. PSA have proven at £243,887.

The Prescribed Part pursuant to Section 176A of the Insolvency Act 1986 does apply to this liquidation. This is where part of the Company's net assets available to the Floating Charge Holders is made available to unsecured creditors. However, given the net assets available to the Floating Charge Holder is likely to be less than £10,000, the calculation will be dis-applied.

Unsecured creditor claims per the Company's Statement of Affairs were anticipated to be in the region of £263,385, though it should be remembered that creditor information was ultimately taken from a creditor ledger prepared as to 30th April 2016, creditor mail collected from the Company's trading premises and creditors who have contacted Harrison's direct in the lead up to Liquidation. There was also a general provision for unknown creditor liabilities of £100,000.

Claims received to date are £84,596. Given that we do not know what the Company's overall unsecured liability position was at the outset of the liquidation we are unable to comment on the likely anticipated overall level of unsecured creditor claims.

Based on information currently available and subject to the outcome of our negotiations in regards to the shares in Chary Ventures Limited and the registration plate we are of the opinion that no dividend will be available to any class of creditor because funds realised have already been allocated for paying the expenses of the insolvency proceedings.

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 £7,500 plus VAT was agreed to be paid out of the assets of the company by creditors at a meeting of creditors held on 14th July 2016.

The Company made a payment on account of £3,750 plus VAT prior to liquidation, with the sum paid from the proceeds of assets sold to SCS, as detailed earlier in this report.

The balance of the fee remains outstanding.

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 in attending to matters arising in the winding up. Such fee is capped at £22,400 in accordance with the Fee Estimate provided at the outset of the liquidation.

Time costs incurred in the period under review are £4,730. These relate to 11.00 chargeable hours at an average charge out rate across all grades of staff of £430.00 per hour.

Total time costs incurred since appointment to 13th July 2018 are £14,300. This relates to 30.20 chargeable hours at an average charge out rate across all grades of staff of £473.51 per hour.

A fee of £2,000 has been drawn to date.

The overall time costs charged are likely to exceed the original Fee Estimated provided to creditors as we still need to finalise the sale of shares in Chary Ventures Limited and the registration plate, as well as take steps to close the liquidation.

In any event, as the original Fee Estimate exceeds the value of funds that are likely to be available to pay the same, it is not anticipated that we will need to issue a revised Fee Estimate. This is however subject to the outcome of the sale of shares in Chary Ventures Limited and the registration plate

A 'Creditors Guide to Liquidators Fees' can be viewed or downloaded from our website www.harrisonsinsolvency.co.uk using the same details used to access this report.

Our charge out rates are currently £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 | 3,606.98 | 3,120.00 | 486.98 |
| | | | |
| TOTAL | 3,606.98 | 3,120.00 | 486.98 |

All expenses are stated net of VAT. Due to the company being VAT registered, the same can be reclaimed from H M Revenue & Customs.

Within the Fee Estimate provided to creditors at the outset of the liquidation, we provided an estimate of the expenses and disbursements that would be incurred. These were estimated at £2,470, thought this does not act as a cap on the expenses and disbursements that can be recovered by the Liquidators.

As can be seen from the above table, expenses and disbursements have been higher than estimated. This is largely to do with an increase in agents costs connected the attempted sale of the Citroen Franchisee / Tangible Assets. Future expenses and disbursements are estimated to be minimal and

are likely only to be incurred in connection with the transfer of shares and sale of the registration plate.

Joint Liquidators Receipts & Payments Account

The Joint Liquidators Receipts and Payments Account for the period covered by this report together with a cumulative account for the full period of liquidation is at Appendix 1.

The account is self-explanatory.

Creditors' Rights to Request Further Information and to Challenge the Joint 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 Liquidators 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: 6th September 2018

Appendix 1

Rylatt Automotive Limited t/a Rylatt & Sons – in Liquidation

Joint Liquidators Receipts and Payments Account

Rylatt Automotive Limited t/a Rylatt & Sons
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 14/07/2017 To 13/07/2018 £ | From 14/07/2016 To 13/07/2018 £ |
|------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | SECURED CREDITORS | | |
| (38,000.00) | Chargeholder 1: NatWest Bank Plc | NIL | NIL |
| (250,000.00) | Chargeholder 2: PSA Wholesale Limit | NIL | NIL |
| | | NIL | NIL |
| | HIRE PURCHASE | | |
| 5,500.00 | HP Asset: Citroen Dispatch Van | 159.99 | 159.99 |
| (5,500.00) | Finance Company: Black Horse Limite | NIL | NIL |
| | | 159.99 | 159.99 |
| | ASSET REALISATIONS | | |
| 6,150.00 | Tangible Assets | NIL | 10,024.00 |
| NIL | Shares & Investments | NIL | NIL |
| | Trade Show Deposit Refund | NIL | 345.00 |
| | Petty Cash | NIL | 223.98 |
| | Bank Interest Gross | 12.88 | 19.90 |
| | | 12.88 | 10,612.88 |
| | COST OF REALISATIONS | | |
| | Preparation of S. of A. | 3,750.00 | 3,750.00 |
| | Office Holders Fees | 2,000.00 | 2,000.00 |
| | Office Holders Expenses | 486.98 | 486.98 |
| | Agents/Valuers Fees (1) | NIL | 3,120.00 |
| | | (6,236.98) | (9,356.98) |
| | UNSECURED CREDITORS | | |
| (70,300.00) | Trade & Expense Creditors | NIL | NIL |
| (100,000.00) | Estimate of Other Creditors | NIL | NIL |
| (75,000.00) | Director Loan Account | NIL | NIL |
| (9,985.00) | Deposit Customers / Finance Not Clea | NIL | NIL |
| (8,100.00) | H M Revenue & Customs (PAYE) | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (50,000.00) | Preference Shareholders | NIL | NIL |
| (123,000.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (718,235.00) | | (6,064.11) | 1,415.89 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 1,415.89 |
| | | | 1,415.89 |

Appendix 2

Rylatt Automotive Limited t/a Rylatt & Sons – in Liquidation

Joint Liquidators Time Analysis

Time Analysis

RYLATTA - Rylatt Automotive Limited t/a Rylatt & Sons
All Post Appointment Project Codes
To: 13/07/2018

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Administration & Planning | 0.20 | 3.10 | 0.00 | 0.60 | 3.90 | 1,820.00 | 466.67 |
| Closing Case | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.80 | 11.70 | 0.00 | 0.00 | 12.50 | 6,330.00 | 506.40 |
| Dividends & Distributions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Investigations | 0.00 | 8.20 | 0.00 | 3.00 | 11.20 | 4,850.00 | 433.04 |
| Realisation of Assets | 0.00 | 2.80 | 0.00 | 0.00 | 2.80 | 1,300.00 | 500.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours | 1.00 | 25.60 | 0.00 | 3.60 | 30.20 | 14,300.00 | 473.51 |
| Total Fees Claimed | | | | | | 2,000.00 | |
| 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 |

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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 Park**

Post 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