

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

04665373

Name of Company

Leyton Engineering Services Limited

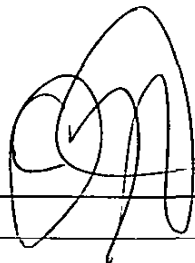
I / We

Ian Yerrill, Gateway House, Highpoint Business Village, Henwood, Ashford, Kent TN24 8DH

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 21/12/2012 to 20/12/2013

Signed



Date

14/01/14

Yerrill Murphy LLP
Gateway House
Highpoint Business Village
Henwood, Ashford
Kent TN24 8DH

Ref CVL1170L/IDY/HS

FRIDAY



A2ZRI634

A21

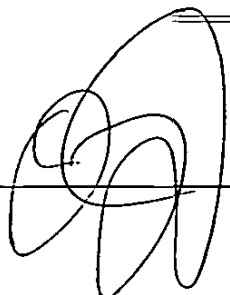
17/01/2014

#179

COMPANIES HOUSE

Leyton Engineering Services Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 21/12/2012 To 20/12/2013	From 21/12/2011 To 20/12/2013
	ASSET REALISATIONS		
Uncertain	[1] Book Debts (a)	NIL	NIL
15,000 00	[2] Book Debts (b)	2,395 20	3,834 00
	Insurance Refund	10,598 00	10,598 00
	Bank Interest Gross	3 70	6 12
		<u>12,996 90</u>	<u>14,438 12</u>
	COST OF REALISATIONS		
	Specific Bond	50 00	50 00
	Liquidators Remuneration	6,000 00	6,000 00
	Solicitors Fees	3,320 00	3,320 00
	Storage Costs	180 12	180 12
	Re-Direction of Mail	27 20	27 20
	Statutory Advertising	229 50	229 50
		<u>(9,806 82)</u>	<u>(9,806 82)</u>
	PREFERENTIAL CREDITORS		
(4,804 00)	[3] Employee Arrears/Holiday Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDITORS		
(50,000 00)	[4] Floating Charge Creditor	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(269,220 00)	[5] Trade & Expense Creditors	NIL	NIL
(44,831 00)	[6] Employees	NIL	NIL
(27,320 00)	[7] Banks/Institutions	NIL	NIL
(133,523 00)	[8] HM Revenue & Customs - PAYE/NI	NIL	NIL
(13,818 00)	[9] HM Revenue & Customs - VAT	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1 00)	[10] Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(528,517 00)		3,190 08	4,631 30
	REPRESENTED BY		
	VAT Receivable		1,961 36
	Clydesdale Bank plc		2,669 94
			<u>4,631 30</u>


 Ian Yerrill
 Liquidator

LEYTON ENGINEERING SERVICES LIMITED

In Creditors' Voluntary Liquidation

Progress Report for the period 21st December 2012 to 20th December 2013

Progress Report submitted in accordance with rule 4.49C of the Insolvency Rules 1986 (as amended) on 16 January 2014 by the Liquidator, I. D. Yerrill of Yerrill Murphy LLP, Gateway House, Highpoint Business Village, Henwood, Ashford, Kent TN24 8DH

LEYTON ENGINEERING SERVICES LIMITED
Creditors' Voluntary Liquidation

Contents of Report

- 1 Statutory Information
- 2 Progress of the Liquidation in the period of the Report
- 3 Liquidator's Receipts and Payments Account
 - Asset realisations
 - Unrealised assets
 - Expenses paid
 - Expenses accrued
- 4 Liquidator's Remuneration
- 5 Dividend Prospects and Creditor Claims
- 6 Ongoing Issues

1 Statutory Information

<i>Company name</i>	Leyton Engineering Services Limited
<i>Company's registered office</i>	Gateway House Highpoint Business Village Henwood Ashford Kent TN24 8DH
<i>Company's registration number</i>	04665373

<i>Liquidator's names</i>	Ian Douglas Yerrill
<i>Liquidator's License details</i>	Insolvency Practitioners Association (8924)
<i>Liquidator's address</i>	Gateway House Highpoint Business Village Henwood Ashford Kent TN24 8DH

2. Progress of the Liquidation in the period of the Report

This progress report covers the second year of Liquidation being 21 December 2012 to 20 December 2013

The Liquidator's progress in dealing with the assets of the Company is detailed in section (3) below

The Liquidator was obliged to investigate the affairs and dealings of the Directors of the Company and to submit a Report on their findings to the Department for Business Innovation and Skills, in accordance with the requirements of the Company Directors Disqualification Act 1986

This Report has been submitted, however we are not permitted to disclose the contents of the same

The Liquidator has in addition undertaken enquiries in accordance with the best practice directives of Statement of Insolvency Practice 2 "Investigations by Office Holders in Administrations and Insolvent Liquidations" to ascertain whether there are potential areas of recovery or matters of public interest requiring further more detailed investigation Enquiries in this regard are ongoing at present

Creditor claims received to date have been dealt with as detailed in section (5) below

3. Liquidator's Receipts & Payments Account

Asset realisations

Book Debts (b)

It was understood at the date of Liquidation the Company's sales ledger carried outstanding book debts with a book value in excess of £170,000 however it was also understood that there were various disputes and counterclaims made against these debts In the Director's Statement of Affairs a realisable value of £15,000 was attributed to such debts

Following his appointment, the Liquidator arranged for the Company's post to be redirected to his office In this post a cheque was received in the sum of £1,438 80 which was believed to relate to a debtor payment, although it subsequently transpired that these funds were not due to Leyton Engineering Services Limited but to another associated concern However it was subsequently noted that a previous customer of Leyton Engineering Services Limited had paid their remittance of £3,834 for an invoice into the bank account of the other concern Such balances were offset and a further funds of £2,395 20 have been received to represent full settlement of the monies to the subject Company

Due to the lack of information and documentation the Liquidator has not been able to pursue any of the debtors he was originally led to believe to be outstanding and as such he must question whether such debts were ever due As a result of which, at this stage it must be deemed that no further realisations will be possible from the Company's sales ledger

Insurance

It transpired that prior to the Liquidation, the Company suffered a break-in at its trading premises and that a claim against the Company's insurance was in the process of being made. The insurers have rejected such claim advising that the insurance policy is deemed to be void on the grounds of non-disclosure issues, and have offered the return of the annual insurance premium. The premium was subject to trust claims from two other parties since a group policy appears to have been in operation. Solicitors were instructed to review the legal aspects regarding accepting the avoidance and protracted negotiations were entered into with the other two parties regarding the level of refund due to each party. Such negotiations have now been finalised and it was agreed that Leyton Engineering Services Limited be entitled to 2/3 of the premium. This has resulted in a balance of £10,598 being received.

Bank deposit interest

Gross bank deposit interest totalling £3 70 has been earned on funds held in the Estate account in the period covered by this report.

Monies held by 3rd Parties

No funds are held by any third parties in this matter.

Unrealised assets

Book Debts (a)

At the time the Company ceased trading it was legally pursuing a four year old debt which had been attributed a book value of £450,000, however given the Company's insolvent position, was shown on the Directors' Statement of Affairs with an uncertain realisable value. It is understood the legal action was being funded by a secured creditor who was interested in continuing to pursue the matter in settlement of their claim and have offered, upon a successful outcome, to pay the Company a percentage of the award.

To date, the Liquidator has not been able to obtain any additional information in this regard.

Goodwill/Sale of Business

Agents were previously instructed to value and negotiate a potential sale of the business to include its goodwill however negotiations with the party interested in acquiring same have now broken down and as a consequence, no realisations will be made from this source.

Expenses paid

Costs of Liquidation discharged from the funds held in the Estate account in the period covered of this report consist of

Third party disbursements

The costs of bonding in the sum of £50, storage costs totalling £155 22, the fee incurred for the redirection of the Company's mail, and statutory advertising costs totalling £229 50 were all initially discharged from the resources of Yerrill Murphy LLP and subsequently reclaimed with VAT.

Solicitor's Fees & Disbursements

Ronaldsons LLP were instructed to provide legal opinion with regard to the acceptance of the insurer's avoidance of the insurance policy and their subsequent assistance with the negotiations regarding the split of the premium refunds between the three parties. A total of £3,320 plus VAT has been paid to Ronaldsons LLP for their fees and disbursements incurred.

Liquidator's Remuneration

In the period covered by this report, the Liquidator has drawn remuneration totalling £6,000 plus VAT as detailed further in Section (4) below.

Expenses accrued

In the period covered by this report a Corporation Tax liability of £0 96 has been incurred however due to the nominal balance, no payment is required. In addition, the Liquidator has unrelieved time costs as detailed in Section 4.

Balance in Hand

You will note from the attached Receipts and Payments Account that there was a balance in hand held of £2,669 94 with recoverable VAT of £1 961 36 as at 20th December 2013

4 Liquidators' Remuneration

At the initial meeting of creditors it was resolved that the Liquidator's remuneration be fixed by reference to his time costs with authority for such fees to be drawn as, when and if funds permit. In the period covered by this report, such fees drawn have totalled £6,000 plus VAT.

In the period 21 December 2012 to 20 December 2013, the Liquidator has incurred time costs of £3,981 50 consisting of 20 30 hours at an average charge out rate of £196 13 per hour. A breakdown of these time costs is attached for your information.

Aggregate time costs incurred up to 20 December 2013 total £12,212 50 and consist of 56 50 hours at an average charge out rate of £216 15 per hour.

The Liquidator would draw your attention to the provisions of rule 4 49E of the Rules.

Within 21 days of receipt of this report, any secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, may make a request in writing to the Liquidator for further information about remuneration or expenses detailed in this Report.

The Liquidator should, within 14 days of receipt of the request, provide all of the information asked for. However, if the Liquidator considers that the time or cost of preparation of the information would be excessive, or disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or the liquidator is subject to an obligation of confidentiality in respect of the information, he may withhold the information and give reasons for not providing the same.

If the Liquidator fails to provide the information within the 14 days of the initial request, or gives reasons for withholding the information, then a creditor may apply to the court within the ensuing 21 days and the Court may make such Order as it sees fit.

The Liquidator would additionally draw your attention to the provisions of rule 4 131 of the Rules.

Any secured creditor, or any unsecured creditor with either the concurrence of 10% in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may apply to the Court for one of the following Orders:

- a) An Order reducing the amount of remuneration that the Liquidator is entitled to charge
- b) An Order fixing the basis of remuneration at a reduced rate or amount
- c) An Order changing the basis of remuneration
- d) An Order that some or all of the remuneration or expenses in question be treated as not being expenses of the Liquidation
- e) An Order that the Liquidator or the Liquidator's personal representative pay to the Company the amount of the excess of remuneration or expenses or such part of the excess as the Court may specify.

Alternatively the Court may make any other Order that it thinks just but Orders under 'b' or 'c' above may be made only in respect of periods after the period of this report.

The costs of the application should be paid by the applicant unless the Court orders otherwise.

Any application must be made within eight weeks of receipt of the first report in which the remuneration and/or expenses in question are detailed, although the Court may extend the period by such further period as the court thinks just

Creditors' attention is drawn to the Guide to Liquidators' Fees as circularised with the Notice convening the initial meeting of creditors, dated 23rd November 2011, and to the charge out rates detailed therein. A further copy can be made available on request

5. Dividend Prospects and Creditors Claims

The Company's file maintained by the Registrar of Companies records three charges registered against the assets of the Company. Confirmation has been received that two of these charges have been settled and that the creditor is no longer relying on their security

The third charge is a registered debenture in favour of Bryan Green (t/a Tnui Capital) which incorporates both fixed and floating charges. To date no claim has been received from the Chargeholder and no copy of the Charge has been provided

Claims have been made by former employees of the Company in respect of unpaid salary and accrued holiday which carry a preferential status in the liquidation process. Claimants with a preferential status rank ahead of the Bank's floating charge for distribution purposes. The Liquidators are currently awaiting clarification as to the level of payments made by the Redundancy Payments Office to these employees in order that the preferential claims can be fully quantified

The Statement of Affairs lodged in the proceedings disclosed 45 potential unsecured creditors totalling £488,712.88. To date we have received 14 claims totalling £687,186. These claims are higher than originally anticipated due to a significantly higher claim being received from HM Revenue and Customs

In accordance with the provisions of Section 176A of the Act where property of a Company is subject to a Floating Charge a prescribed part of the net property available under that charge shall be set aside to enable a distribution to unsecured creditors. The prescribed part equates to 50% of the first £10,000 of the net property available together with 20% of the balance thereafter up to a maximum prescribed part of £600,000

The provisions do not apply where the net property is less than £10,000 or where the Court orders on an application by the Officer Holder that the costs of making a distribution to unsecured creditors would be disproportionate to the benefits

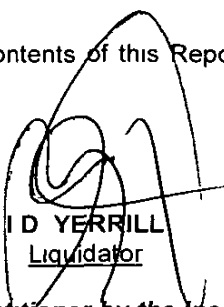
It is not envisaged that such funds available to the Floating Chargeholder will exceed £10,000 and therefore these provisions will not apply

Dividend to prospects to any class of creditor in this matter are wholly dependent upon the level of any further realisations and at present the Liquidator is not able to quantify the level of any such realisations

6 Ongoing Issues

As stated above, the Liquidator's investigations into the potential assets of the Company are continuing at this time

Should you have any query regarding the contents of this Report please do not hesitate to contact this office


I D YERRILL
Liquidator

Licensed to act as an Insolvency Practitioner by the Insolvency Practitioners Association

Leyton Engineering Services Limited
(In Liquidation)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 21/12/2011 To 20/12/2012 (£)	From 21/12/2012 To 20/12/2013 (£)	Total (£)
[1] Book Debts (a)	Uncertain	0 00	0 00	0 00
[2] Book Debts (b)	15,000 00	1,438 80	2,395 20	3,834 00
Insurance Refund		0 00	10,598 00	10,598 00
Bank Interest Gross		2 42	3 70	6 12
		1,441 22	12,996 90	14,438 12

PAYMENTS

Specific Bond		0 00	50 00	50 00
Liquidators Remuneration		0 00	6,000 00	6,000 00
Solicitors Fees		0 00	3,320 00	3,320 00
Storage Costs		0 00	180 12	180 12
Re-Direction of Mail		0 00	27 20	27 20
Statutory Advertising		0 00	229 50	229 50
[3] Employee Arrears/Holiday Pay	(4,804 00)	0 00	0 00	0 00
[4] Floating Charge Creditor	(50,000 00)	0 00	0 00	0 00
[5] Trade & Expense Creditors	(269,220 00)	0 00	0 00	0 00
[6] Employees	(44,831 00)	0 00	0 00	0 00
[7] Banks/Institutions	(27,320 00)	0 00	0 00	0 00
[8] HM Revenue & Customs - PAYE/NIC	(133,523 00)	0 00	0 00	0 00
[9] HM Revenue & Customs - VAT	(13,818 00)	0 00	0 00	0 00
[10] Ordinary Shareholders	(1 00)	0 00	0 00	0 00
VAT Receivable		0 00	1,961 36	1,961 36
		0 00	11,768 18	11,768 18

Net Receipts/(Payments)	1,441 22	1,228 72	2,669 94
--------------------------------	-----------------	-----------------	-----------------

MADE UP AS FOLLOWS

Clydesdale Bank plc	1,441 22	1,228 72	2,669 94
	1,441 22	1,228 72	2,669 94

Time Entry -.SIP9. Time & Cost Summary

CVL1170L - Leyton Engineering Services Limited
Project Code POST
From 21/12/2012 To 20/12/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.50	0.00	4.30	5.00	9.80	1 325.50	135.26
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.30	0.10	0.40	60.50	151.25
Creditors	0.50	0.00	2.40	0.00	2.90	559.00	192.76
General Correspondence	0.20	0.00	0.60	0.00	0.80	151.00	188.75
Investigations	0.30	0.00	0.60	0.00	0.90	178.50	198.33
Realisation of Assets	5.30	0.00	0.20	0.00	5.50	1 707.00	310.36
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	8.80	0.00	8.40	5.10	20.30	3,881.50	196.13
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Classification	Explanation
Administration & Planning	Case Planning, Administrative set-up, Appointment Notification, Maintenance of records, Statutory reporting
Case Specific Matters	Matters specific to the case
Cashiering	Self-explanatory
Creditors	Communication with creditors, Creditors' claims (including employees' and other preferential creditors')
General Correspondence	Correspondence that does not form part of another category
Investigations	SIP 2 review, CDDA reports Investigating antecedent transactions
Realisation of Assets	Identifying, securing and insuring assets, Retention of title Debt Collection, Property, business and asset sales
Trading	N/a in this case