

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

04723084

Name of Company

ABC Cleaning Services Limited

I / We

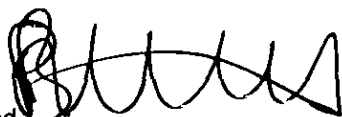
Paul Bailey
257b Croydon Road
Beckenham
Kent
BR3 3PS

Tommaso Waqar Ahmad
257b Croydon Road
Beckenham
Kent
BR3 3PS

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 20/08/2012 to 19/08/2013

Signed



Date

4 October 2013

Bailey Ahmad Limited
257b Croydon Road
Beckenham
Kent
BR3 3PS

Ref AB05/PB/TA/TC/LF/CF

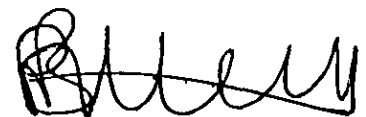
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ABC Cleaning Services Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 20/08/2012 To 19/08/2013
	ASSET REALISATIONS	
2,300 00	Tangible assets	2,300 00
8,700 00	Client database	8,700 00
Uncertain	Book Debts	3,949 38
	Cash at Bank	800 00
Uncertain	Director's loan account	NIL
		<u>15,749 38</u>
	COST OF REALISATIONS	
	Section 98 Meeting Fee	6,000 00
	Office Holders Fees	3,500 00
	Office Holders Expenses	253 00
	Pre-appointment agents' fees	<u>1,250 00</u>
		(11,003 00)
	PREFERENTIAL CREDITORS	
(4,816 78)	Employee Arrears/Hol Pay	<u>NIL</u>
		NIL
	UNSECURED CREDITORS	
(26,177 73)	Trade & Expense Creditors	NIL
(34,482 44)	Employees	NIL
(10,000 00)	Banks/Institutions	NIL
(127,800 00)	Inland Revenue	<u>NIL</u>
		NIL
	DISTRIBUTIONS	
(100 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(192,376.95)</u>		<u><u>4,746.38</u></u>
	REPRESENTED BY	
	Vat Receivable	750 60
	Bank 2 Current	<u>3,995 78</u>
		<u><u>4,746.38</u></u>



Paul Bailey
Joint Liquidator

ABC Cleaning Services Limited (In Creditors' Voluntary Liquidation)

Joint Liquidators' Annual Report

4 October 2013

Paul Bailey and Tommaso Waqar Ahmad
Joint Liquidators

Both licensed to act as insolvency practitioners in the UK by the
Association of Chartered Certified Accountants

www.baileyahmad.co.uk

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Paul Bailey MABRP and Tommaso Ahmad MABRP are licensed to act as insolvency practitioners in the UK by the Association of Chartered Certified Accountants.
Directors acting as administrative receivers and administrators contract without personal liability
Bailey Ahmad Limited registered office: 409-411 Croydon Road, Beckenham, Kent BR3 3PP Registered in England & Wales 5963453



Contents

- 1 Introduction
- 2 Statutory information
- 3 Receipts and payments
- 4 Asset realisations
- 5 Dividends to creditors
- 6 Investigations
- 7 Other work carried out by the Joint Liquidators
- 8 Joint Liquidators' remuneration and disbursements
- 9 Assistance

Appendices

- A Receipts and payments account
- B A creditors' guide to insolvency procedures and the remuneration of office holders
- C Fee resolutions
- D Notes to be read in conjunction with Statement of Insolvency Practice 9 (SIP 9) fee breakdown
- E SIP 9 summary of time costs for the period 20 August 2012 to 19 August 2013

1. Introduction

This report sets out an account of our acts and dealings and of the conduct of the liquidation for the period from 20 August 2012 to 19 August 2013

2. Statutory information

Company name	ABC Cleaning Services Limited
Registered office	257b Croydon Road, Beckenham Kent BR3 3PS
Registered number	04723084
Date of liquidators' appointment	20 August 2012

3. Receipts and payments

We attach as Appendix A to this report a summary of our receipts and payments from 20 August 2012 to 19 August 2013

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs (HMRC) shown separately. The Company was VAT registered, and consequently VAT is recoverable from HMRC.

4. Asset realisations

The Company's tangible assets and client database were subject to an independent valuation by Williams & Partners Limited (W&P) who recommended the following sales:

Tangible assets (estimated to realise £2,300)

The Company's tangible assets comprised office furniture, cleaning equipment, stock and an unencumbered motor vehicle which were sold to Bailey's Specialist Cleaning and Restoration Services Limited.

Client database (estimated to realise £8,700)

The Company's client database was sold to Bailey's Specialist Cleaning and Restoration Services Limited.

It was agreed that consideration for the above assets would be paid in instalments of £1,000 plus VAT per month by the purchaser. We have received full payment for the assets.

Statement of Insolvency Practice 13 (SIP 13) disclosure

In accordance with SIP 13, we confirm the following in relation to the sale:

Date of sale	20 August 2012
Assets involved	Tangible assets and client database
Consideration	£2,300 plus VAT and £8,700 plus VAT respectively
Date of payment	Deferred consideration
Name of counterparty	Bailey's Specialist Cleaning and Restoration Services Limited
Nature of connected party relationship	Mr Robert Bailey is a director of both the Company and the counterparty.

We are not aware of any independent advice obtained by the counterparty in relation to the transaction.

Book debts (estimated to realise Uncertain)

At the date of liquidation the Company's outstanding debtor ledger stood at £10,978.74. Following initial contact with the debtors and a reconciliation of the Company's bank statements, it was established that certain debts totalling £6,830.74 had been paid to the Company shortly prior to liquidation. Separately, we have realised the sum of £3,949.38. A residual debt of £248 was disputed and it was deemed uneconomical to pursue further.

Director's loan account (estimated to realise Uncertain)

At the date of liquidation, the director's outstanding loan account stood at £107,000. It was agreed that the director, whose company had an offer accepted to purchase the Company's assets, would settle the consideration before we sought proposals in relation to repayment of the loan account. The final instalment in relation to the asset consideration was received as anticipated, in August 2013. We have now written to the director in respect of his loan account and will update creditors in due course.

Cash at bank

Cash at bank totalling of £800 has been realised.

5. Dividends to creditors

Secured

We have received no secured claims in this matter.

Preferential

The director's statement of affairs disclosed five creditors with preferential claims totalling £4,816.78. Preferential claims of £4,431.09 have been received from three

creditors. Payment of a dividend to preferential creditors prior to conclusion of the liquidation will be dependent on the level of further realisations and associated costs.

Unsecured

We have received unsecured claims from 11 creditors totalling £206,914.22. The remaining 12 creditors detailed in the statement of affairs with claims estimated at £25,211 in total have yet to submit statement of claim forms. Dividend prospects for unsecured creditors are currently uncertain.

Prescribed part

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender 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. A liquidator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000.

There is no qualifying floating charge in this case, therefore the prescribed part provisions do not apply.

6. Investigations

We have considered the information acquired in the course of appraising and realising the Company's assets together with information provided by creditors and the Company's professional advisors. We have also made enquiries of the Company's director by sending a questionnaire.

We made an initial assessment of whether there could be any matters that might lead to recoveries for the liquidation and what further investigations may have been appropriate.

In determining the extent of the investigations in the circumstances of this case, account was taken of the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved. We concluded that no further investigations or action would be appropriate or likely to result in a recovery for the benefit of the liquidation.

We can confirm that we have fulfilled our statutory obligations and made the appropriate submission to the Directors Disqualification Unit of UK Department for

Business Innovation & Skills under the provisions of the Company Directors Disqualification Act on all those who were directors of the Company in the three years leading up to our appointment. The contents of this report are confidential and cannot be disclosed.

7. Other work carried out by the Joint Liquidators

Administration and Planning

Following our appointment, we carried out all statutory duties in accordance with the legislation. We have also carried out periodic reviews. Cashiering matters have been undertaken and the designated liquidation account has been reconciled.

Creditors

An initial report to creditors was issued following our appointment as Joint Liquidators and this annual progress report has been prepared. It has been necessary to record incoming creditor claims on our systems and deal with general creditor correspondence and telephone calls.

8. Joint Liquidators' remuneration and disbursements

Details of all resolutions passed by creditors in relation to remuneration and disbursements are included at Appendix C.

Remuneration

Pre liquidation

The sum of £6,000 plus VAT has been drawn from asset realisations in respect of the pre-liquidation costs of Bailey Ahmad Limited in accordance with the relevant resolution passed by creditors.

The sum of £1,250 plus VAT has been paid to W&P in accordance with the relevant resolution passed by creditors.

Post liquidation

We attach at Appendix B a creditors' guide to insolvency procedures and the remuneration of office holders for your information. The underlying basis of charging is our firm's standard charge-out rates and the guide provides details of these, both former and current. We believe that this case is of average complexity and no exceptional responsibility has fallen upon us as Joint Liquidators.

At Appendix E to this report, we attach details of the time expended during the period from 20 August 2012 to 19 August 2013. This breakdown is provided in accordance with Statement of Insolvency Practice 9.

You will note that we have incurred time costs to 19 August 2013 of £9,995 plus VAT and we have drawn remuneration of £3,500 plus VAT on account of these costs as approved by creditors during the same period

Disbursements

Pre liquidation

Statutory advertising costs of £76 50 plus VAT due to Courts Advertising Limited were met by our firm. This cost has not been re-charged to the liquidation and will be written-off

Post liquidation

The disbursements incurred during the period of this report, excluding VAT, are as follows

Amounts paid by/due to office holders' firm		
Type	Supplier	£
Category 1		
Statutory advertising	Courts Advertising Limited	153 00
Bonding	Marsh Limited	100 00
Category 2		
Storage of records		1,100 00
Total		1,353 00

Creditors will note that we have drawn £253 plus VAT on account of these disbursements during the period of this report

Statutory advertising

We are legally obliged to advertise certain information regarding the liquidation and our appointment in the London Gazette

Bonding

We are legally obliged to bond for the value of the Company's assets and the aforementioned cost represents the premium in this regard

Storage of records

We are legally obliged to preserve the Company's books and records for the duration of the liquidation and for the period of one year following the Company's dissolution. 20 boxes were collected from the Company's former trading premises

Creditors' rights to request further information and challenge our remuneration and expenses

Pursuant to Rule 4.49E of the Insolvency Rules 1986, creditors should note that they have the right to request further information regarding our remuneration and

expenses under this Rule and to challenge our remuneration and expenses under Rule 4.131. Appendix B provides details of where creditors can access more detailed information regarding their rights to request further information and challenge our remuneration and expenses

9. Assistance

If you require any assistance, please do not hesitate to contact a member of our team on 020 8662 6070 or email us at info@baileyahmad.co.uk

Appendix A

Receipts and payments account

ABC Cleaning Services Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 20/08/2012 To 19/08/2013	From 20/08/2012 To 19/08/2013
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	Section 98 Meeting Fee	6,000 00	6,000 00
	Office Holders Fees	3,500 00	3,500 00
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	PREFERENTIAL CREDITORS		
(4,816 78)	Employee Arrears/Hol Pay	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	UNSECURED CREDITORS		
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(34,482 44)	Employees	NIL	NIL
(10,000 00)	Banks/Institutions	NIL	NIL
(127,800 00)	Inland Revenue	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(192,376.95)</u>		<u>4,746.38</u>	<u>4,746 38</u>
	REPRESENTED BY		
	Vat Receivable		750 60
	Bank 2 Current		<u>3,995 78</u>
			<u>4,746.38</u>

Appendix B

A creditors' guide to insolvency
procedures and the
remuneration of office holders

Creditor guides to insolvency procedures and the remuneration of office holders (England and Wales)

R3 – Association of Business Recovery Professionals

The Association of Business Recovery Professionals, is the leading professional association for insolvency, business recovery and turnaround specialists in the UK. Known by its brand name 'R3', it promotes best practice for professionals working with financially troubled individuals and businesses.

Bailey Ahmad and its practitioners are members of R3 and would like to take this opportunity to draw your attention to a set of guides produced by R3 which explain the rights of unsecured creditors during an insolvency process. Creditors are able to download these guides from the R3 website at the following web addresses:

Administration

http://www.r3.org.uk/media/documents/publications/professional/Creditors_Administration.pdf

Administrative Receivership

http://www.r3.org.uk/media/documents/publications/professional/Creditors_admin_rec.pdf

Bankruptcy

http://www.r3.org.uk/media/documents/publications/professional/Creditors_bankruptcy.pdf

Compulsory Liquidation

http://www.r3.org.uk/media/documents/publications/professional/Creditors_CL.pdf

Creditors' Voluntary Liquidation

http://www.r3.org.uk/media/documents/publications/professional/Creditors_CVL.pdf

Statement of Insolvency Practice 9 – Remuneration of Office Holders in England and Wales

Statements of Insolvency Practice give guidance as to the required practice to be adopted by authorised insolvency practitioners. Accordingly, Bailey Ahmad would draw your attention to guides in relation to Office Holders' fees which are available for download from the R3 website at the following address: <http://www.r3.org.uk/index.cfm?page=1210>

Creditors should select the "fees" link, which will direct them to a web page from which they can download the following guides:

- Guide to voluntary arrangement fees
- Guide to trustee in bankruptcy fees
- Guide to administrators' fees
- Guide to liquidators' fees

Bailey Ahmad fee and recharge rates

Where it is agreed by resolution of creditors or the creditors' committee that the office holders remuneration will be calculated by reference to the time properly arising in the administration, then such remuneration will be calculated in units of 6 minutes at the following hourly standard rates:

Grade	From 1 July 2011	Former rates
Director	£350	£300
Senior Manager	£300	-
Manager	£250	£200
Senior Case Administrator	£175	£150
Case Administrator	£150	£125
Junior Case Administrator	£125	£100
Support	£80	£75
Cashier	£80	-

These are Bailey Ahmad's current charge out rates, which are shown exclusive of VAT. If you would like details of our historic charge out rates, please contact us on 020 8662 6070.

Disbursements

There are two types of disbursements, Category 1 and Category 2 disbursements. Category 1 disbursements are generally external supplies of incidental services that are specifically identifiable to the case against which they are being charged. These include insolvency bonds, swearing fees, redirection of mail, accommodation, subsistence, company searches, hire of external meeting rooms or any other miscellaneous item which is by nature a Category 1 disbursement paid out in respect of the administration of the estate. Creditor approval of Category 1 disbursements is not required.

Category 2 disbursements are those which, whilst being in the nature of expenses or disbursements include an element of shared or allocated costs. Approval of the committee, or the creditors if there is no committee, is required before Category 2 disbursements can be drawn. Bailey Ahmad will seek to recover the following Category 2 disbursements: Storage of company books and records at the insolvency practitioners' own storage facility. The books and records will be stored in standard storage boxes and a storage fee of £5 per box per month will be charged. This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after expiration of the statutory retention period. The recharge of travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate at 40p per mile. Other Category 2 disbursements such as photocopying will not be recharged.

Appendix C

Fee resolutions

The following resolutions were passed by creditors at the meeting of creditors held on 20 August 2012:

Pre liquidation

"It was reported that Bailey Ahmad Limited's fee for convening the meetings of directors, shareholders and creditors and assisting the directors in the preparation of the report and statement of affairs was £6,000 plus VAT. The Joint Liquidators be authorised to draw this fee from asset realisations, subject to any third party contribution referred to in the notes to the statement of affairs "

"That Williams & Partners Limited be paid their reasonable charges, estimated at £1,250 plus VAT to be agreed by the Joint Liquidators from asset realisations in respect of an independent valuation of the Company's assets conducted prior to the appointment of liquidators and providing their report "

Post liquidation

"In respect of post-appointment work, that the Joint Liquidators be remunerated on a time cost basis in accordance with the normal charge out rates for their practice. Any remuneration will be payable at the Liquidators' discretion from time to time out of any funds held by them "

"The Joint Liquidators to be reimbursed for any expenses or necessary disbursements properly charged and incurred in the course of carrying out their duties during the liquidation. These include category 2 disbursements as explained in the creditors' guide to fees previously despatched to creditors and are to be paid from the assets of the liquidation "

Appendix D

Notes to be read in conjunction with Statement of Insolvency Practice 9 fee breakdown

The work that we have carried out as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we have dealt are set out briefly in our report.

It is our policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.

Examples of work which fall under each type of standard activity shown in the SIP 9 breakdown are as follows:

Administration and Planning

Case planning, administrative set-up, appointment notification, maintenance of records, cashiering and statutory reporting.

Investigations

SIP 2 review and investigating antecedent transactions.

Realisation of assets

Identifying, securing and insuring assets, retention of title, debt collection and property, business and asset sales.

Creditors

Communication with creditors, dealing with creditors' claims and distributions.

Appendix E

SIP 9 summary of time costs
for the period 20 August 2012
to 19 August 2013

Time Entry - SIP9 Time & Cost Summary

AB05 - ABC Cleaning Services Limited
Project Code POST
From 20/08/2012 To 19/08/2013

Classification of Work Function	Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3 00	5 00	6 20	12 30	26 50	4 316 50	162 89
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 80	2 20	5 10	7 10	15 20	2 263 00	148 88
Investigations	0 60	1 30	3 30	4 60	9 80	1 480 50	151 07
Non Chargeable	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	1 50	2 60	4 60	0 50	9 20	1 935 00	210 33
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	5 90	11 10	19 20	24 50	60 70	9,995 00	164 68