

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

04807417

Name of Company

Express Furniture (Distributors) Limited

I / We

Nigel Price, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

Daren Mills, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly held on/summoned for 24 February 2014 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, and that the same was done accordingly / no quorum was present at the meeting.

2 give notice that a meeting of the creditors of the company was duly held on/summoned for 24 February 2014 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly/no quorum was present at the meeting

The meeting was held at Begbies Traynor, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

The winding up covers the period from 21 December 2012 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

The final report and account was laid before the meeting
No quorum was present

Signed



Date 24 February 2014

Begbies Traynor (Central) LLP
10th Floor
Temple Point
1 Temple Row
Birmingham
B2 5LG

Ref EX027CVL/NYP/DJM/REF/JRG/PC

TUESDAY



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04/03/2014

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COMPANIES HOUSE

Express Furniture (Distributors) Limited (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation pursuant
to Section 106 of the Insolvency Act 1986 and Rule
4.126 of the Insolvency Rules 1986

Period: 21 December 2012 to 24 February 2014

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Express Furniture (Distributors) Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 21 December 2012
"the liquidators", "we", "our" and "us"	Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Daren Mills of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

This is our final report and account of the liquidation and should be read in conjunction with the report to creditors dated 2 January 2012

2. COMPANY INFORMATION

Trading name(s)	Not applicable
Company registered number	04807417
Company registered office	10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
Former trading address	Unit 4, Moor Street Industrial Estate, Moor Street, Brierley Hill, West Midlands, DY5 3TG

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	21 December 2012
Date of liquidators' appointment	21 December 2012
Changes in liquidator (if any)	None

4. PROGRESS SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the period from 21 December 2012 to 24 February 2014

RECEIPTS

Cash at Bank

The Company's pre appointment bank account was closed and the credit balance totalling £5,296.46 was transferred to the joint liquidators' post appointment bank account. The directors' estimated statement of affairs detailed 'Cash at Bank' to be £5,325, the difference is due to closing charges

Book Debts

The sole debtor is a company subject to administration proceedings. The quantum and timing of any return from the administration is uncertain but, based on current information, a return looks unlikely. It has therefore been concluded that it is not cost effective to keep the liquidation open indefinitely and a decision has been made to close the case.

PAYMENTS

Storage Costs

The sum of £100.64 has been paid to L & R Storage for the collection, storage and destruction of the Company's books and records.

Statutory Advertising

The sum of £84.60 has been paid to Courts Advertising for advertising the final meeting.

Statement of Affairs fee

It was resolved at the meeting of creditors held on 21 December 2012 that £5,000 plus VAT and disbursements should be paid from the assets of the Company to Begbies Traynor in respect of the costs incurred for assisting in the preparation of the Statement of Affairs and convening the meeting of creditors

We confirm that in line with the resolutions passed, Begbies Traynor has been paid £4,830 13 plus VAT. The remaining balance will be written off

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs included within the report sent to creditors further to our appointment as liquidators

Secured creditor

As far as we are aware there are no secured creditors

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £12,353. There will be no return to preferential creditors

Unsecured creditors

Unsecured creditors were estimated at £212,900. There will be no dividend to unsecured creditors because the funds realised have already been used for defraying the expenses of the liquidation

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 21 December 2012 to 12 December 2013 amount to £4,846 50 which represents 23 80 hours at an average rate of £203 63 per hour. Any time incurred post 12 September 2013, which will be minimal, will be written off as irrecoverable

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 21 December 2012 to 24 February 2014

- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

We have drawn pre appointment disbursements of £76 50 plus VAT and post appointment disbursements of £204 59 plus VAT on account in accordance with the approval obtained. We have not drawn any post appointment fees.

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred since our appointment is attached at Appendix 3.

8. UNREALISABLE ASSETS

As mentioned in paragraph 4, the Company's sole debtor is in administration and prospects of a dividend from the debtor are unlikely. For commercial reasons the debt has been written off and there will be no further recoveries.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors' conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations completed

We have been investigating the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect. We can confirm that there are no recoveries resulting from the investigations.


10. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on 24 February 2013 in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned to our office by 12 noon on the business day before the meeting. Please note that we will not accept receipt of completed proxy forms by email. Submission of proxy forms by email will lead to the proxy being held invalid and the vote not cast.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, Jim Goudie in the first instance, who will be pleased to assist.



Nigel Price
Joint Liquidator

Dated 19 December 2013

ACCOUNT OF RECEIPTS AND PAYMENTS

Period. 21 December 2012 to 24 February 2014

Express Furniture (Distributors) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 21/12/2012 To 12/12/2013	From 21/12/2012 To 12/12/2013
	ASSET REALISATIONS		
Uncertain	Book Debts	NIL	NIL
5,325 00	Cash at Bank	5,296 46	5,296 46
		<u>5,296 46</u>	<u>5,296 46</u>
	COST OF REALISATIONS		
	Statement of Affairs Fee	4,830 13	4,830 13
	Office Holders Pre appt Expenses	76 50	76 50
	Office Holders Post appt Expenses	204 59	204 59
	Storage Costs	100 64	100 64
	Statutory Advertising	84 60	84 60
		<u>(5,296 46)</u>	<u>(5,296 46)</u>
	PREFERENTIAL CREDITORS		
(12,353 00)	Employees re Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(46,313 00)	Trade Creditors	NIL	NIL
(74,957 00)	Employees - Redundancy and Pay in L	NIL	NIL
(40,157 00)	H M Revenue & Customs (PAYE)	NIL	NIL
(51,473 00)	H M Revenue & Customs (VAT)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(220,028.00)</u>		<u>(0.00)</u>	<u>(0.00)</u>
	REPRESENTED BY		
			<u>NIL</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 21 December 2012 to 24 February 2014

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories.

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements
- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*
- Telephone and facsimile
 - Printing and photocopying
 - Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Birmingham office as at the date of this report are as follows

	Standard
	1 May 2011 –
	until further notice
	Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	Express Furniture (Distributors) Limited
CASE TYPE	CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS	Nigel Price AND Daren Mills
DATE OF APPOINTMENT	21 December 2012

1 CASE OVERVIEW

1 1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1 2 Complexity of the case

This was a straightforward case with 'cash at bank' to realise and the possibility of book debt realisations

1 3 Exceptional responsibilities

None

1 4 The office holders' effectiveness

The Company's pre appointment bank account was closed and the credit balance transferred to the joint liquidators' post appointment bank account

The Company's sole debtor is in administration and the quantum and timing of any dividend is uncertain. As such, a commercial decision was made to write off the debt

1 5 Nature and value of property dealt with by the office holders

The sum of £5,296.46 was realised from the Company's pre appointment bank account

1 6 Anticipated return to creditors

There will be no return to preferential or unsecured creditors

1 7 Time costs analysis

An analysis of time costs incurred between 21 December 2012 and 12 December 2013 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only

1 8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting

1 9 The views of the creditors

Any queries from creditors as a result of the liquidation have been dealt with in a timely manner

1 10 Approval of fees

A resolution for our time costs was approved at the creditors' meeting held on 21 December 2012

1 11 Approval of Expenses and Disbursements

A resolution for our expenses and disbursements was approved at the creditors' meeting held on 21 December 2012

1 12 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – directors' meetings	9 00
TOTAL	9 00

1 13 Other professionals employed & their costs

There were no other professionals instructed on this case

EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

1 8 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2

1 9 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2

3. SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

3 1 Since the date of our last report, the following work has been carried out

- All statutory duties,
- Investigations into the Company's affairs and the directors' conduct,
- Reviewing the book debt position with the Company's sole debtor,
- Corresponding with Barclays Bank Plc regarding the pre appointment credit balance

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Companies House	Company searches	2 00	2 00	Nil
Courts Advertising	Advertising	314 10	314 10	Nil
Postage		20 59	20 59	Nil
Bordereau	AUA Insolvency Risk Services	20 00	20 00	Nil
Mileage		9 00	9 00	Nil
Storage	L & R Storage	100 64	100 64	Nil