

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

05013273

Name of Company

The Merton Window Company Limited

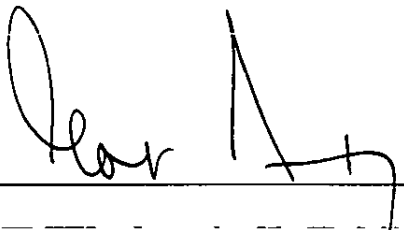
I / ~~We~~

Martin C Armstrong FCCA FABRP MIPA, Allen House, 1 Westmead Road, Sutton, Surrey, SM1 4LA

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 20/04/2014 to 19/04/2015

Signed



Date

28.4.2015

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

Ref XT125/AB/NLS/PO

THURSDAY



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COMPANIES HOUSE

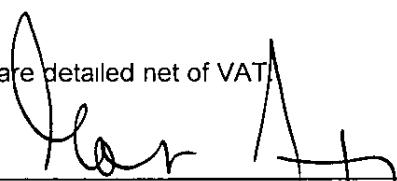
The Merton Window Company Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 20/04/2014 To 19/04/2015	From 20/04/2011 To 19/04/2015
	HP ASSETS		
4,000 00	Motor Vehicle	NIL	NIL
(6,894 00)	Lombard Finance	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
150 00	Tangible Assets	NIL	150 00
7,500 00	Goodwill	NIL	7,500 00
	Settlement against Director	10,915 00	10,915 00
	Gross Bank Interest	8 20	44 29
		10,923 20	18,609 29
	COST OF REALISATIONS		
	Agents'/Valuers' Fees	NIL	550 00
	Legal Fees	5,700 00	6,075 00
		(5,700 00)	(6,625 00)
	COST OF ADMINISTRATION		
	Specific Bond	48 80	78 80
	Preparation of S of A	NIL	5,000 00
	Creditor Notification	18 00	18 00
	Statutory Advertising	NIL	225 37
	Corporation Tax	1 63	8 81
		NIL	NIL
		(68 43)	(5,330 98)
	PREFERENTIAL CREDITORS		
(419 00)	Employees' Wage Arrears	NIL	NIL
(483 00)	Employees' Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(35,809 00)	Trade & Expense Creditors	NIL	NIL
(1,337 00)	Employees	NIL	NIL
(31,390 00)	The Merton Window Company (Londo	NIL	NIL
(7,845 00)	Director	NIL	NIL
(16,291 00)	Natwest Bank plc	NIL	NIL
(7,965 00)	HM Revenue & Customs - CIS	NIL	NIL
(1,972 00)	HM Revenue & Customs - CT	NIL	NIL
(7,366 00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(106,123 00)		5,154 77	6,653 31
	REPRESENTED BY		
	Input VAT		221 69
	Bank - Current a/c		6,431 62

6,653.31

Note

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.


Martin C Armstrong FCCA FABRP MIPA
Liquidator

**The Merton Window Company Limited – in Creditors' Voluntary Liquidation
Liquidator's Progress Report to Creditors and Members
For the year ending 19 April 2015**

STATUTORY INFORMATION

Company name	The Merton Window Company Limited
Registered office	Allen House 1 Westmead Road Sutton Surrey SM1 4LA
Former registered office	Dalton House 60 Windsor Avenue London SW19 2RR
Registered Number	05013273
Liquidator's name	Martin C Armstrong FCCA FABRP FIPA MBA
Liquidator's address	Allen House 1 Westmead Road Sutton Surrey SM1 4LA
Liquidator's date of appointment	20 April 2011

LIQUIDATOR'S ACTIONS SINCE LAST REPORT

Since my last report, I have continued to seek to realise the assets of the Company and investigate what assets can be realised and what recoveries could be made. I had been unable to reach a resolution with the Company's former director regarding the consideration payable for the Company's assets and therefore had to instruct Messrs Howman & Co solicitors to provide me with advice in relation to this matter. My solicitors drafted a Witness Statement which I signed and agreed and this was subsequently presented to Court.

A hearing took place on 30 October 2014 when my solicitors represented me. The former director attended the hearing and gave oral evidence regarding the outstanding issues which related to a total claim being made against him of £41,054.80. This matter is detailed under the heading of "Assets" and also "Investigations into the Affairs of the Company".

In addition, myself and my staff have spent significant time dealing with creditor enquiries, general administration and statutory tasks during the Liquidation. There is a Creditors Committee appointed in this case and I wrote a final report to them on 1 December 2014 advising that I proposed not to convene further meetings unless any member of the Committee requested me to do so and that the Committee would be dissolved at the time the Liquidation has been formally concluded.



RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 20 April 2014 to 19 April 2015 is attached

The balance of funds is held in an interest bearing estate bank account

ASSETS

Goodwill

The estimated statement of affairs showed the goodwill to be valued at £7,500. In my last report I advised that £7,500 had been received in accordance with the initial desk top valuation which fell short of a subsequently revised valuation of £11,000 by £3,500. I advised at that time that it was unlikely that further realisations would be made in this regard and I can confirm that no further realisations have been received and the matter is now concluded.

Encumbered Motor Vehicle

The vehicle was shown on the estimated statement of affairs to have a value of £4,000 however there was an outstanding balance due on the finance agreement with Lombard Finance of £6,894. I can confirm that there have been no realisations since the date of my appointment regarding this asset. There will be no further action in this regard.

Tangible Assets

The value of these assets shown on the estimated statement of affairs was £150 in accordance with a valuation undertaken by Messrs James Owen & Co. No further realisations have been received during this period of reporting and I can confirm that total realisations since the date of my appointment total £150 and the matter is now concluded.

Settlement against the Director

A further investigation into various transactions from the Company's bank statements which were revealed during the course of my initial investigations indicated there were areas of concern where funds should be repaid to the Company by the director. These are covered in more detail under the section headed "Investigations".

The director contested these amounts which necessitated solicitors becoming involved. I appointed Messrs Howman & Co to serve a letter of claim on Mr McGearty and, after the director appointed his own solicitors, my solicitors submitted a witness statement to Court on my behalf to progress matters. The total claim was for an amount of £41,054.80.

Mr McGearty did not provide any evidence to substantiate his allegations that the amounts were not due but did however attend the Court Hearing. The Judge was satisfied with Mr McGearty's oral evidence and the Court ordered that the sum of £10,000 plus costs should be paid by the director. Whilst I had the option to appeal the decision Counsel acting on my behalf advised that the cost of an appeal would more than likely outweigh any return should the award be increased and for this reason an appeal was not progressed.

I agreed that the director could make staged payments and can confirm that the final payment was received on 26 March 2015. I have now received the full amount of £10,915 in this respect which concludes this matter.

Bank Interest

Since the date of my appointment I have received bank interest of £44.29 of which £8.20 has been received during this reporting period.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that



the Company has no current charges over its assets

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

The statement of affairs anticipated £902 was owed to preferential creditors in respect of employees arrears of wages and holiday pay. I can confirm that to date no claims have been submitted by the Company's employees or the Redundancy Payments Office.

Crown Creditors

The statement of affairs included £17,303 as being owed to HMRC detailed as follows:

Liability	Period	Amount
CIS	June 2010 – February 2011	£ 7,965 00
Corporation Tax	31 December 2010	£ 1,972 00
VAT	April 2010 – March 2011	<u>£ 7,366 00</u>
		£17,303 00

HM Revenue & Customs' claim of £15,331 has been received which is broken down as follows:

Liability	Period	Amount
PAYE and related penalty	2009/2010 – 2010/2011	£ 8,632 50
Corporation Tax	y/e 31/03/2010	£ 1,972 11
VAT	March 2011 – June 2011	£ 1,775 00
Interest Accrued	N/A	<u>£ 18 28</u>
		£12,397 89

Non-preferential unsecured Creditors

Trade and Expense Creditors

The statement of affairs included 10 trade and expense creditors with an estimated total liability of £35,809. I have received claims totalling £45,327.77. I have not received a claim from one creditor with an original estimated claim in the statement of affairs of £2,894.

Employees

Estimated employee claims in respect of redundancy pay and pay in lieu of notice were £1,337. I can confirm that at the date of this report I have not received any claims in this respect.

Connected Company

The Merton Window Company (London) Limited were shown on the estimated statement of affairs as being owed £31,390. I confirm that I have received a claim for this amount.

Director

John McGearty is shown as a creditor on the statement of affairs for a sum of £7,845 and I have received a claim in the sum of £7,845.

NatWest Bank plc

The estimated statement of affairs showed NatWest Bank plc as being a creditor for £16,291. A claim has been received in the sum of £16,444.06.

DIVIDEND PROSPECTS

Secured creditors

There are no secured creditors in this matter.



Preferential creditors

I have not received any claims from preferential creditors and in any event it is unlikely there will be sufficient funds to pay a dividend to this class of creditor

Floating charge creditors

There are no floating charge creditors in this matter

Non-preferential unsecured creditors

It is unlikely that there will be any funds available to pay a dividend to this class of creditor

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, and the funds likely to be available to fund an investigation, and the costs involved

At the time of my last report to creditors I set out the following areas which required further action

Company Contracts

Debtors of the Company totalling £9,900 advised that they had paid the Company the outstanding amounts. These payments could not be traced as having been received by the Company and it was believed that the payments had been made to The Merton Window Company (London) Limited

Dividend Payments

My investigations revealed that there had been unlawful dividends paid to the value of £2,500

Overdrawn Director's Loan Account

After a reconciliation of the director's loan account it was found that the loan account was overdrawn by the sum of £4,723 80

Potential Misapplication of Company Monies

A review of the Company's bank statements revealed petty cash payments totalling £23,931, the majority of which related to entertaining. The director was requested to provide documentary evidence regarding these payments but this was not received

The director disputed all the above matters and did not provide any documentary evidence to substantiate them. Due to the lack of response I instructed Messrs Howman & Co to act on my behalf. As mentioned in the "Assets" section of this report under "Settlement against the Director", the matter went to Court and an order passed on 30 October 2014 that Mr McGreaty should pay £10,000 plus costs which was for the outstanding director's loan account plus interest. For the remaining issues the Judge was satisfied with the explanation provided by the director. I confirm that I have received these funds, the final payment being received on 26 March 2015 and the matter is now completed

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £5,000 plus VAT for my assistance with preparing the statement of affairs and convening and holding the meeting of creditors at a meeting held on 20 April 2011. The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid on 22 December 2011 from first realisations and is shown in the enclosed receipts and payments account



LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by the creditors at a meeting held on 20 April 2011 to be drawn on a time cost basis. My total time costs to 19 April 2015 amount to £34,210.50, representing 224.80 of hours work at an average charge out rate of £152.18 per hour, of which £8,603, representing 37.80 of hours work, was charged in the period since 19 April 2014, at an average charge out rate of £227.59 per hour. I have not been able to draw any remuneration in this matter.

Schedules of my time costs for the period incurred to date and for this reporting period are attached.

A description of the routine work undertaken since my last progress report is as follows:

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
- 2 Cashiering
 - Maintaining and managing the Liquidator's cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors
 - Maintaining creditor information on IPS
 - Reviewing and adjudicating on proofs of debt received from creditors
 - Corresponding with the Creditors Committee
- 4 Investigations
 - Review and storage of books and records
 - Completion of investigations into suspicious transactions
 - Review books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors
 - Monitor director during visit to the office to review the Company's records
- 5 Realisation of Assets
 - Corresponding with debtors and attempting to collect outstanding book debts
 - Liaising with the director regarding areas of investigation requiring refund of monies
 - Dealing with director/solicitors with regard to pursuing the recovery of various identified transactions
 - Complete and sign documentation for submission to Court regarding the identified transactions from the director
 - Monitor payments made by the director regarding the Court Order

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals, together with an explanatory note which shows Turpin Barker Armstrong's fee policy are available at the link <http://www.turpinba.co.uk/services/insolvency/fees.htm>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the November 2011 version. A hard copy of both documents can be obtained on request from the address below.



LIQUIDATOR'S EXPENSES

I have incurred expenses to 19 April 2015 of £322 17 which are detailed as follows -

Type of Expense	Expenses incurred	Payment made
Specific Bond	78 80	78 80
Creditor Notification	18 00	18 00
Statutory Advertising	225 37	225 37

I have drawn £322 17 to date of which £66 80 was drawn in the period since 19 April 2014

I have used the following professional advisors in this reporting period

Professional Advisor	Nature of Work	Basis of Fees
Howman & Co	Solicitors	Time costs
Messrs James Owen & Co	Valuers/Auctioneer	Percentage of realisations

Howman & Co were instructed to provide me with advice in relation to my investigations and realising further funds in this regard. They prepared a Witness Statement on my behalf and represented me at a Court hearing. The total legal fees amount to £6,075 plus VAT which include £375 plus VAT paid for Counsel's fees prior to this reporting period. £5,700 plus VAT has been paid during this reporting period.

Messrs James Owen & Co were initially instructed to provide a desktop valuation of the Company's assets. A subsequent formal valuation of the Company's assets was also carried out at the request of the Company's creditors. An invoice for £550 plus VAT was submitted for this work and was paid on 14 July 2011.

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

SUMMARY

The Liquidation is nearing conclusion and once a final Corporation Tax return has been submitted the matter may progress to closure in the next few months. Once the closing procedure has been concluded my files will be closed.

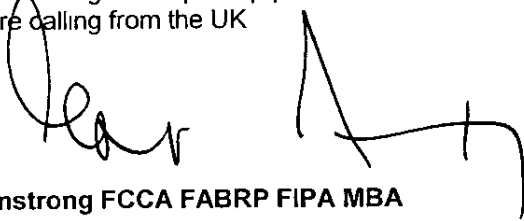
Should you have any queries regarding this report, or the Liquidation in general, please contact Pam Oprey on 020 8661 7878.

At Turpin Barker Armstrong we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact me at the address given in this letter.



If you consider that I have not dealt with your comments or complaint appropriately you, then put details of your concerns in writing to our complaints officer James Patchett, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner, or you can email insolvency.enquiryline@insolvency.gsi.gov.uk, or you may phone 0300 678 0015 - calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you're calling from the UK.



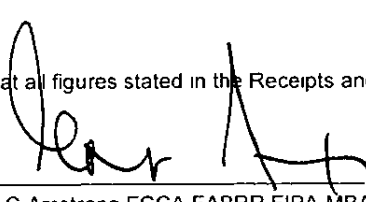
Martin C Armstrong FCCA FABRP FIPA MBA
Liquidator

The Merton Window Company Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

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	HP ASSETS		
4,000 00	Motor Vehicle	NIL	NIL
-6,894 00	Lombard Finance	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	ASSET REALISATIONS		
150 00	Tangible Assets	NIL	150 00
7,500 00	Goodwill	NIL	7,500 00
	Settlement against Director	10,915 00	10 915 00
	Gross Bank Interest	<u>8 20</u>	<u>44 29</u>
		10,923 20	18,609 29
	COST OF REALISATIONS		
	Agents'/Valuers' Fees	NIL	550 00
	Legal Fees	<u>5,700 00</u>	<u>6,075 00</u>
		-5,700 00	-6,625 00
	COST OF ADMINISTRATION		
	Specific Bond	48 80	78 80
	Preparation of S of A	NIL	5,000 00
	Creditor Notification	18 00	18 00
	Statutory Advertising	NIL	225 37
	Corporation Tax	<u>1 63</u>	<u>8 81</u>
		-68 43	-5,330 98
	PREFERENTIAL CREDITORS		
-419 00	Employees' Wage Arrears	NIL	NIL
-483 00	Employees' Holiday Pay	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	UNSECURED CREDITORS		
-35,809 00	Trade & Expense Creditors	NIL	NIL
-1,337 00	Employees	NIL	NIL
-31,390 00	The Merton Window Company (Londo	NIL	NIL
-7,845 00	Director	NIL	NIL
-16,291 00	Natwest Bank plc	NIL	NIL
-7,965 00	HM Revenue & Customs - CIS	NIL	NIL
-1,972 00	HM Revenue & Customs - CT	NIL	NIL
-7,366 00	HM Revenue & Customs - VAT	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
-2 00	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
-106,123 00		<u><u>5,154 77</u></u>	<u><u>6,653 31</u></u>
	REPRESENTED BY		
	Input VAT		221 69
	Bank - Current a/c		6,431 62
			<u><u>6,653 31</u></u>

Note

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT


Martin C Amstrong FCCA FABRP FIPA MBA
Liquidator

Time Entry - SIP9 Time & Cost Summary

XT125 - The Merton Window Company Limited
 Project Code POST
 From 20/04/2014 To 19/04/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	1.30	2.00	0.00	8.50	11.80	2,855.50	241.99
Case Specific Matters	0.80	0.50	0.00	7.50	8.80	1,812.50	205.97
Creditors	0.80	0.90	0.00	10.30	12.00	2,721.50	226.79
Investigations	0.00	0.00	0.00	0.10	0.10	20.00	200.00
Realisation of Assets	0.80	1.30	0.00	3.00	5.10	1,193.50	234.02
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	3.70	4.70	0.00	29.40	37.80	8,603.00	227.59
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

XT125 - The Merton Window Company Limited
Project Code POST
From 20/04/2011 To 19/04/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	6.10	11.00	3.20	34.50	54.80	9,991.50	182.33
Case Specific Matters	1.30	0.50	0.00	18.30	20.10	2,913.00	144.93
Creditors	7.40	2.70	2.50	58.80	71.40	10,855.00	152.03
Investigations	5.60	1.60	0.20	41.90	49.30	6,171.00	125.17
Realisation of Assets	1.90	2.50	0.00	24.50	28.90	4,256.00	147.27
Trading	0.00	0.00	0.00	0.30	0.30	24.00	80.00
Total Hours	22.30	18.30	5.90	178.30	224.80	34,210.50	152.18
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

PROOF OF DEBT - GENERAL FORM

The Merton Window company Limited - In Creditor's Voluntary Liquidation	
Date of Winding-Up Order / Resolution for voluntary winding up 20 April 2011	
1	Name of Creditor (If a company please also give company registration number)
2	Address of Creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)
4	Details of any documents by reference to which the debt can be substantiated [Note there is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting]
5	If amount in 3 above includes outstanding uncapitalised interest please state amount £
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates
9	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor
	Address of person signing (if different from 2 above)
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Liquidator	Liquidator