

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

05500884

Name of Company

Brydol Limited

I / We

Julie Anne Palmer

Simon Guy Campbell

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 17/07/2013 to 16/07/2014

Signed



Date

4/8/14.

Begbies Traynor (Central) LLP
65 St Edmunds Church Street
Salisbury
Wiltshire
SP1 1EF

Ref BR240CVL/JAP/SGC/SR/NRA

TUESDAY



A30

A3DMGC2Y

05/08/2014

COMPANIES HOUSE

#214

Brydol Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986

Period. 17 July 2013 to 16 July 2014

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The 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.

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1 Liquidators' account of receipts and payments
 - 2 Liquidators' time costs and disbursements
 - 3 Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Brydol Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 17 July 2013
"the liquidators", "we", "our" and "us"	Julie Anne Palmer and Simon Guy Campbell of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
"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"	<ul style="list-style-type: none">(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

2. COMPANY INFORMATION

Trading name(s)	N/A
Company registered number	05500884
Company registered office	65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
Former trading address	Unit Q Hunting Gate, East Portway Industrial Estate, Andover, SP10 3SJ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	17 July 2013
Date of liquidators' appointment	17 July 2013
Changes in liquidator (if any)	None

4 PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 17 July 2013 to 16 July 2014, the content of which we trust is mostly self-explanatory

Actual asset realisations have exceeded estimated realisations by £25,181. It is anticipated that a further £10,000-£13,000 will be received in respect of retentions

We anticipate being in a position to pay a final dividend to the unsecured creditors of the Company by the end of the year and finalising the liquidation around the same time

5. ESTIMATED 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

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

Preferential creditors

A dividend of 100 pence in the £1 has been paid to the preferential creditors

Unsecured creditors

A dividend of 20 pence in the £1 has been paid to the unsecured creditors. We consider that there will be sufficient funds for a final dividend of around 5 pence in the £1 to be paid to unsecured creditors by the end of the year

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 17 July 2013 to 16 July 2014 amount to £41,262 00 which represents 204 hours at an average rate of £202 26 per hour

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 17 July 2013 to 16 July 2014
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 16 July 2014, we have drawn the total sum of £39,386 00 on account of our remuneration, against total time costs of £41,262 00 incurred since the date of our appointment To 16 July 2014, we have also drawn disbursements in the sum of £704 20

Details of the 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 during the period of this progress report is attached at Appendix 3

8. ASSETS THAT REMAIN TO BE REALISED

As detailed above, there are retentions due with an estimated to realise value of around £10,000-£13,000

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.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to be 'J A Palmer', with a stylized, elongated horizontal stroke extending to the right.

J A Palmer
Joint Liquidator

Dated 4 August 2014

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 17 July 2013 to 16 July 2014

<i>S of A £</i>		£	£
	ASSET REALISATIONS		
12,500	Plant & Machinery	11,500 00	
	Motor Vehicles	1,500 00	
95,851	Book Debts & Retentions	136 030 86	
	Rates Refund	85 77	
37 326	Cash at Bank	21,657 56	
	Bank Interest Gross	83 90	
			170,858 09
	COST OF REALISATIONS		
	Statement of Affairs Fee	5,018 00	
	Office Holders Fees	39,386 00	
	Office Holders Expenses	704 20	
	Casual Labour	93 38	
	Remedial Fees	1,375 00	
	Agents/Valuers Fees	2,930 20	
	Repair Work	300 00	
	Debt Collection Fee	1,877 12	
	Statutory Advertising	253 80	
	PAYE & NI	1,469 22	
			(53,406 92)
	PREFERENTIAL CREDITORS		
(7,977)	RPO re Arrears/Holiday Pay	9,330 99	
(7,471)	Employees re Arrears/Hol Pay	4,523 63	
			(13,854 62)
	UNSECURED CREDITORS		
(249,757)	Trade Creditors	49,902 59	
(9,353)	Employees	585 09	
(75 074)	RPO	13,350 85	
(27 998)	HMRC (non VAT)	8,766 46	
(76 343)	HMRC (VAT)	10,853 80	
			(83,458 79)
			<u>20,137 76</u>
	REPRESENTED BY		
	Vat Receivable		1 505 88
	Bank 1 Current		23 032 13
	Vat Payable		(4 400 25)
			<u>20,137 76</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 17 July 2013 to 16 July 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. 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)

- 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.

(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

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

² Ibid 1

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 Salisbury 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 Brydol Limited

CASE TYPE CREDITORS' VOLUNTARY LIQUIDATION

OFFICE HOLDERS Julie Anne Palmer AND Simon Guy Campbell

DATE OF APPOINTMENT 17 July 2013

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 assignment has not involved any areas of particular complexity. However, considering time has been spent processing the claims of employees and other creditors

1.3 **Exceptional responsibilities**

There has been nothing unusual about this assignment

1.4 **The office holders' effectiveness**

Liquidation essentially brings about the end of the Company. The objective is always to realise assets for the benefit of creditors as a whole. This strategy has not changed and we believe the objective has been achieved

1.5 **Nature and value of property dealt with by the office holders**

Please refer to the attached report

1.6 **Anticipated return to creditors**

Please refer to the attached report

1.7 **Time costs analysis**

An analysis of time costs incurred between 17 July 2013 and 16 July 2014 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 **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

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – 112 miles at 45p per mile	50.40
TOTAL	50.40

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

- 2.1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2
- 2.2 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
- Working with appointed agents in order to realise Company assets,
 - Dealing with the redundancy process and resultant employee claims,
 - Complying with statutory reviewing and reporting procedures,
 - Agreeing the claims of creditors and distributing to the same

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Casual labour – fee for finalising payroll submissions	Sally Cooper	93 38	93 38	0 00
Remedial costs – snagging work to collect retentions	MRW Projects	300 00	300 00	0 00
	ITS Interiors	1,075 00	1,075 00	0 00
Agent – collection of company books and records	Tony Boagard	55 20	55 20	0 00
Agent – value and sale company assets	Asset Recovery & Insolvency	2,875 00	2,875 00	0 00
Repair work – snagging work to collect retentions	Astra Signs	300 00	300 00	0 00
Debt collection – fee for assisting in finalising contracts, chasing debtors	Mark Burton	2,200 12	1,877 12	323 00
Statutory advertising	Courts Advertising	253 80	253 80	0 00