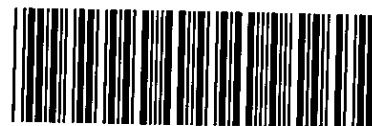


LIQ03

Notice of progress report in voluntary winding up

FRIDAY



A14 *A8568WKL* 10/05/2019 #5
COMPANIES HOUSE

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 5 8 8 6 4 6 1

Company name in full Stockport Metal Fabrications Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Andrew M

Surname Bland

3 Liquidator's address

Building name/number 41 Greek Street

Street Stockport

Post town Cheshire

County/Region

Postcode S K 3 8 A X

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 **Period of progress report**

From date	^d 1	^d 5	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
To date	^d 1	^d 4	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9

7 **Progress report**

☒ The progress report is attached

8 **Sign and date**

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 6	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9
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LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Andrew Mark Bland									
Company name	DMC Recovery Limited									
Address	41 Greek Street									
	Stockport									
Post town	Cheshire									
County/Region										
Postcode	S	K	3		8	A	X			
Country										
DX										
Telephone	0161 474 0920									

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Liquidator's Annual Progress Report to Creditors & Members

**Stockport Metal Fabrications Limited
- In Liquidation**

16 April 2019

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

CONTENTS

- 1** Introduction and Statutory Information
- 2** Progress of the Liquidation
- 3** Creditors
- 4** Liquidator's Remuneration
- 5** Creditors' Rights
- 6** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 15 March 2018 to 14 March 2019
- B** Additional information in relation to Liquidator's Fees, Expenses & Disbursements

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Andrew M Bland of DMC Recovery Limited, 41 Greek Street, Stockport, Cheshire, SK3 8AX, was appointed as Liquidator of Stockport Metal Fabrications Limited (the **Company**) on 15 March 2018. This progress report covers the period from 15 March 2018 to 14 March 2019 (the **Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at www.dmc-recovery.co.uk/privacy-policy. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was Manor Works, Coronation Street, Stockport, Cheshire, SK5 7PH.
- 1.4 The registered office of the Company has been changed to 41 Greek Street, Stockport, SK3 8AX and its registered number is 05886461.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.
- 2.2 At Appendix A is my Receipts and Payments Account for the Period.
- 2.3 During this period I have complied with my statutory administrative duties under the insolvency Act 1986 and a statutory file has been created and maintained.
- 2.4 Documentation has been sent to all creditors, members and relevant statutory departments advising of the decision.
- 2.5 I fulfilled my statutory investigation obligations and have submitted my report in accordance with such.
- 2.6 Cash at Bank has been realised in full.
- 2.7 Realisations have been achieved in relation to Plant and Machinery not stated in the statement of affairs.
- 2.8 Monies relating to a debtor, Axiom Displays has been received.
- 2.9 The claim for HM Revenue and Customs has been received.

Administration (including statutory compliance & reporting)

- 2.10 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees information.
- 2.11 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 2.12 As noted in my initial fees information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

Realisation of Assets

- 2.13 A deposit for costs in the sum of £9,000 has been received from the company.
- 2.14 Book debts totalling £47,878.08 were factored with Close Invoice Finance, who were owed the sum of £41,135.71 before costs of termination. Collection is ongoing in relation to these secured debtors. I am awaiting a final statement confirming collection is completed, the amount of termination charges that are to be applied and whether there is a surplus balance to be received into the liquidation. Based on current information, this is unlikely.
- 2.15 A debtor, Axiom Displays Ltd owing £62,173, noted as excluded in the statement of affairs due to the uncertainty of collectability, was reviewed upon appointment. It was noted the debt was included in a Creditors Voluntary Arrangement. Upon advising the Supervisor of my appointment as Liquidator, a dividend of £2,182.30 was paid, equating to 3.51p/£ of the total debt. It is unclear whether further realisations will be achieved in relation to this debtor. Future realisations are subject to the successful completion of each year of the "CVA" from which a dividend will be paid. This matter is subject to ongoing monitoring.
- 2.16 Cash at bank stated to be £1,724 in the statement of affairs has been received in the sum of £10,440.65. Monies received included a debtor due to Close Invoice Finance in the sum of £8,999.11 paid into the wrong account, this has been repaid to Close Invoice Finance and can be seen in the attached receipts and payments account. A further sum of £1,441.54, relating to a misapplied payment from a company named Silhouette was also returned subsequent to receipt of sufficient evidence that the monies were paid into the wrong account and not intended for Stockport Metal Fabrications Limited.
- 2.17 The Plant and Machinery of the company were sold by the company prior to the appointment of the Liquidator by JPS Chartered Surveyors, to an unconnected party for £13,124 providing an amount of £10,724. These funds were received by the company prior to the appointment of the Liquidator. Surplus assets, not sold pre appointment were subsequently sold by JPS Chartered Surveyors via public auction, achieving £4,779.16. No further realisations are anticipated from this class of asset.
- 2.18 A sundry refund in the sum of £8.99 has been received.
- 2.19 The directors loan accounts for both Michael Crowe and Paul Walker were stated to be uncertain in the statement of affairs. The loan account of Paul Walker has been settled by a reduction made by the Redundancy Payments Service, of his claim in respect of Redundancy, Arrears of Wages and Pay in Lieu of Notice. The Loan Account of Michael Crowe is disputed and subject to review. However, I would note that it is unlikely any settlement will be achieved as Mr Crowe is subject to arduous financial commitments stemming from the provision of personal guarantees provided by him, in respect of loans and facilities provided to the company. It seems unlikely any realisation can be achieved from Mr Crowe, but this will be fully investigated. The sum due is £12,495.94.

It is considered that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company. In this case it appears unlikely that realisations will be sufficient to enable a distribution to creditors.

Creditors (claims and distributions)

- 2.20 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security.

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

Matters still to be dealt with

- 2.21 The matter of Michael Crowes directors loan account is subject to review. However, as stated above at 2.19 above, it appears unlikely a settlement that benefits creditors can be easily achieved.
- 2.22 I have yet to receive the final claim from the Redundancy Payments Service.
- 2.23 I have applied for, and am awaiting confirmation of, deregistration of the company VAT.

3 Creditors

Secured Creditors

- 3.1 RBS invoice Finance Limited hold a fixed and floating charge over the assets of the company created on 20 June 2014 and duly registered on 7 July 2014. According to the statement of affairs no monies were due to them. Subsequent to appointment a claim in the sum of £6,328.01 has been received.
- 3.2 Close Invoice Finance hold a floating charge over the book debts of the company created on 21 December 2017 and duly registered on 28 December 2017. At the date of the liquidation the indebtedness to the secured creditor was estimated at £41,135.71. As detailed above at 2.14 I am awaiting a final statement confirming collection is completed, what termination charges are to be applied and whether there is a surplus balance to be received into the liquidation.

Preferential Creditors

- 3.3 As stated above I have yet to receive the final claim from the Redundancy Payments Service. Employees' preferential claims as per the statement of affairs, total £15,085.71.
- 3.4 Due to insufficient realisations in this matter, it appears unlikely that a dividend will be available to preferential creditors.

Unsecured Creditors

- 3.5 I have received claims totalling £277,895.97 from 32 creditors. I have yet to receive claims from 45 creditors whose debts total £54,763.44 as per the Company's statement of affairs. Of the claims received 14 are higher than stated in the statement of affairs most notably the claim from HM Revenue and Customs in the sum of £55,563.65, is £45,047.51 higher than the £10,516.14 stated in the statement of affairs. 4 claims have been received which were not anticipated in the statement of affairs. Of these, Lombard have submitted a claim in the sum of £11,242.77 in respect of a shortfall due to them upon return and sale of their assets. Royal Bank of Scotland have submitted a claim for £6,328.01.
- 3.6 Due to the nature of the charge held by Close Invoice Finance there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).
- 3.7 I would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

4 Liquidator's Remuneration

- 4.1 Creditors approved my pre appointment fee of £7,500 plus VAT and disbursements. This fee has been drawn in full.

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

- 4.2 The Creditors approved that the basis of the Liquidator's post appointment remuneration be fixed as a set amount of £10,500 plus Vat and 10% of actual realisations. My fees Information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 4.3 No fees have been drawn to date against the total set fee agreed of £10,500 plus Vat approved by creditors.
- 4.4 Due to insufficient realisations to date, no fees have been drawn relating to the 10% of realisations approved by creditors.
- 4.5 Attached as Appendix B is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' Rights

- 5.1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 *Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.*

6 Next Report

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.
- 6.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 0161 474 0920 or by email at creditors@dmcrecovery.co.uk.

Yours faithfully



Andrew M Bland
Liquidator

Andrew M Bland is authorised to act as an insolvency practitioners in the UK by ICAEW under office holder number 9472.

Stockport Metal Fabrications Limited
(In Liquidation)
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 15/03/2018 To 14/03/2019 £	From 15/03/2018 To 14/03/2019 £
RECEIPTS			
Deposit for costs	9,000.00	9,000.00	9,000.00
Cash at Bank	1,724.00	10,440.65	10,440.65
Directors Loan - Michael Crowe	Uncertain	0.00	0.00
Directors Loan - Paul Walker	Uncertain	0.00	0.00
RBS	Uncertain	0.00	0.00
Factored Book Debts - Close	47,878.08	0.00	0.00
Plant & Machinery		4,779.16	4,779.16
Unsecured Debtor - Axiom Displays		2,182.30	2,182.30
Sundry Receipt		8.99	8.99
		<u>26,411.10</u>	<u>26,411.10</u>
PAYMENTS			
Close Brothers Limited	(41,135.71)	8,999.11	8,999.11
Specific Bond		340.00	340.00
Preparation of S. of A.		7,500.00	7,500.00
Refund to Misapplied Payment		1,441.54	1,441.54
Agents/Valuers Fees		2,687.52	2,687.52
Statutory Advertising		206.10	206.10
Bank Charges		11.68	11.68
Employee Arrears/Hol Pay	(15,085.71)	0.00	0.00
Trade & Expense Creditors	(236,218.44)	0.00	0.00
Employees	(70,940.74)	0.00	0.00
HMRC PAYE and NI	(10,516.14)	0.00	0.00
Ordinary Shareholders	(100.00)	0.00	0.00
		<u>21,185.95</u>	<u>21,185.95</u>
Net Receipts/(Payments)		<u>5,225.15</u>	<u>5,225.15</u>

MADE UP AS FOLLOWS

Bank 1 Current	4,692.49	4,692.49
Office	(590.22)	(590.22)
VAT Receivable / (Payable)	1,122.88	1,122.88
	<u>5,225.15</u>	<u>5,225.15</u>



Andrew M Bland
Liquidator

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

Appendix B

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

7 Staff Allocation and the Use of Sub-Contractors

- 7.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 7.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 7.3 From time to time DMC Recovery uses the services of subcontractors to supplement the work of in-house staff. The work of such staff will be charged at the appropriate charge out rate.

Professional Advisors

- 7.4 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
JPS Chartered Surveyors (valuation and disposal advice)	10% of realisations and Hourly rate and disbursements

- 7.5 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

8 Liquidator's Expenses & Disbursements

- 8.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost £
Agents' costs	1,000
Solicitors' costs	
Insurance	
Statutory advertising	206
Specific penalty bond	40
External storage of company's books and records	
External meeting room hire	52
Re-direction of the Company's mail	
Case related travel & subsistence	
Circulars Inc. Postage	24
Category 2 disbursements charged by the firm:	
Business mileage	

Current position of Liquidator's expenses

- 8.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

STOCKPORT METAL FABRICATIONS LIMITED - IN LIQUIDATION

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs		2,687.52		2,687.52
Solicitors' costs				
Insurance				
Statutory advertising* Plus Vat			206.10	206.10
Specific penalty bond			340	340
External storage of books & records				
External meeting room hire				
Re-direction of the Company's mail				
Case related travel & subsistence				

- 8.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 8.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.