

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A18 *A8YUGJDL* 15/02/2020 #188
COMPANIES HOUSE

1 Company details

Company number 0 5 9 0 7 5 2 0

Company name in full Bm Tankering Limited

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

2 Liquidator's name

Full forename(s) Kevin

Surname Lucas

3 Liquidator's address

Building name/number 2 Pacific Court

Street Pacific Road

Post town Atlantic Street

County/Region

Postcode WA 1 4 5 B 5

Country

4 Liquidator's name ①

Full forename(s) Elizabeth

Surname Manley

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

5 Liquidator's address ②

Building name/number 2 Pacific Court

Street Pacific Road

Post town Atlantic Street

County/Region

Postcode WA 1 4 5 B 5

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

03 01 2019

To date

02 01 2020

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X

X

Signature date

13 02 2020

BM TANKERING LIMITED - IN LIQUIDATION

**Liquidator's First Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986
For the period from 03 January 2019 to 02 January 2020**

**BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020**

CONTENTS

- 1. Statutory Information**
- 2. Introduction**
- 3. Progress of the Liquidation**
- 4. Receipts and Payments Account**
- 5. Liquidator's Remuneration, Disbursements and Expenses**
- 6. Other Matters and Information To Assist Creditors**

Receipts and Payments Account	Appendix 1
SIP 9 Time Analysis and Category 2 disbursements	Appendix 2
Liquidator's Fees and Disbursements Policy	Appendix 3

**BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020**

1. STATUTORY INFORMATION

Relevant Date:	22 December 2017
Names of Liquidators:	Kevin Lucas and Elizabeth Manley of Lucas Johnson Limited, 2 Pacific Court, Pacific Road, Atlantic Street, Altrincham, Cheshire WA14 5BJ
Date of Appointment:	03 January 2019
Company Name:	BM Tankering Limited ("the Company")
Trading Styles:	N/a
Registered Number:	05907520
Registered Office:	2 Pacific Court, Atlantic Street, Altrincham, Cheshire, WA14 5BJ
Changes in Office Holder:	N/a

2. INTRODUCTION

- 2.1 Kevin Lucas and Elizabeth Manley were appointed Joint Liquidators of the Company on 03 January 2019 following the Company's move from Administration to Creditors' Voluntary Liquidation on the same day.
- 2.2 This is the first annual progress report to creditors and covers the period from 03 January 2019 to 02 January 2020 and is issued pursuant to Section 104A of the Insolvency Act to provide creditors with an update on the progress of the Liquidation.
- 2.3 References in this report to rules and sections are, unless expressly provided otherwise, respectively references to the rules of the Insolvency (England & Wales) Rules 2016 and to sections of the Insolvency Act 1986.

3. PROGRESS OF THE LIQUIDATION DURING THE REPORTING PERIOD

Trade Debtors

- 3.1 As advised during the Administration period, according to the Company's books and records the outstanding debts owed to the Company totaled £416,832. This debtor ledger is subject to factoring facilities which involve the assignment of the Company's debts to GC Factoring Limited ("Grenke") dated 26 February 2015.
- 3.2 The Company's records indicate that the sum of £514,690 is owed to Grenke in relation to this facility; the debtor ledger is being collected directly by Grenke and is therefore not reflected on the receipts & payments account.

BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020

- 3.3 Just outside of this reporting period on 21 January 2020, Grenke have confirmed that there are bad debts totaling £372,673 on the ledger and they have been unable to collect that amount owed to them. Therefore, there will not be a surplus of funds from this source.

Funds Transferred from Administration

- 3.4 Upon the move from Administration to Liquidation, the funds held in the Administration account were transferred to the Liquidators.

Third Party Funds held by solicitor

- 3.5 During this period, funds of £107 have been received from Attwells Solicitors in relation to a former rent deposit. No further funds are expected from this source.

Connected Party Debtor

- 3.6 As advised previously, the Company's books and records included a connected debtor for the sum of £592,889 from Go Tankers Partnership ("Go Tankers"), which is a connected business by virtue of the common Directorship and Shareholding of both Mr Mark Edwards and Mr Paul Thornton, both of whom were partners in Go Tankers. Go Tankers had submitted a claim in the administration for £105,706 and the Liquidator will investigate the validity of this claim with a view to allowing set off if applicable.
- 3.7 The Joint Liquidators have been made aware that Mr Edwards has been declared bankrupt and have therefore registered a claim on behalf of the Company against him for the funds owing from Go Tankers.
- 3.8 The Joint Liquidators have continued to liaise with Mr Thornton in respect of his proposals for repayment during this period. Initially he disputed the amount owing citing a counter claim for the full but has provided no further information to corroborate this. The Liquidators have therefore instructed solicitors, Brabners LLP to advise and assist in the recovery of this debt in this matter.
- 3.9 Solicitors wrote to the debtor's solicitors with a draft statutory demand advising that the demand would be served if no settlement proposals were received. After the period of this report, as no response was received, Brabners have been instructed to finalise and serve the statutory demand.

Unlisted Investment

- 3.10 As previously explained, the Company owns the 100% shareholding in the connected company Enviro-Waste Limited. The Joint Administrators had been formally instructed to attempt to sell this business together with the Company as a going concern due to the interlinked nature of the two companies which would enhance the prospect of a sale and maximisation of price. Unfortunately, no offers were received in the Administration period.
- 3.11 During the Liquidation period, on 30 January 2019, Enviro-Waste Limited was placed into compulsory liquidation. Therefore, no funds are likely to be received from this source.

Future Actions

- 3.12 As detailed above, the only ongoing asset realisation relates to the funds owing to the Company from the connected party, Go Tankers. The Liquidator will continue to liaise with Brabners LLP to pursue this debt.

**BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020**

4. RECEIPTS AND PAYMENTS ACCOUNT

- 4.1 A Receipts and Payments Account for the period is attached at Appendix 1.

5. LIQUIDATOR'S REMUNERATION, DISBURSEMENTS AND EXPENSES

Remuneration

- 5.1 The basis upon which the Liquidators charge remuneration is treated as having been fixed on the same basis as the former Administration. This was agreed by creditors in the preceding administration at a meeting of creditors held on 02 March 2018. Creditors agreed that remuneration may be drawn based on the time spent by the Liquidators' and their staff in attending to matters arising in the Liquidation, plus VAT and disbursements.
- 5.2 The Liquidators' time costs for the period 03 January 2019 to 02 January 2020 are £3,507.50 and are shown in more detail in Appendix 2. This represents 15.4 hours at an average hourly rate of £227.76. Time has been spent on Admin and Planning, Creditors, Investigations, and Realisation of Assets; below is further guidance on the work involved for each category:

Category	Description of work undertaken
Admin & Planning	This category includes conducting internal case reviews to progress the Liquidation and ensure all matters are addressed appropriately. Dealing with all post appointment formalities such as preparing statutory documentation for Companies House and sending notices to all relevant parties. Also included is time spent dealing with general matters which arise in connection with the case and completing and circulating the annual Progress Report to creditors.
Realisation of Assets	This represents time incurred in transferring the Administration funds to the Liquidation, liaising with the solicitors in order to realise the connected party debt from Go Tankers, plus corresponding with Grenke in relation to book debts.
Creditors	This category involves correspondence with the Company's creditors in respect of their claims in the Liquidation as well as any other queries. Also included is lodging claims received.
Investigations	This represents time spent by the Joint Liquidators and their staff through undertaking further enquiries into the Company's affairs.

- 5.3 The Liquidators have drawn no remuneration in the period of this report.

Disbursements

- 5.4 Disbursements incurred by the Liquidator are split into two categories:
- Category 1 disbursements are items of specific expenditure that are directly related to the case, where exact costs can be ascertained and recharged without profit, and are usually referable to an independent external supplier's invoice.
 - Category 2 disbursements are additional items of incidental expenditure that relate to the estate but are either not directly attributable, or include an element of shared or allocated cost and which are based on a reasonable method of calculation. These have been previously approved by creditors at the meeting of creditors and details of rates can be seen at Appendix 3.

BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020

5.5 Category 1 disbursements incurred and recharged in the period are set out below:

Expense Incurred	Name of provider	Amount incurred (£)	Amount recharged (£)	Balance Outstanding (£)
Land Registry Search	HM Land Registry	6.00	6.00	-

5.6 Category 2 disbursements, where any have been incurred in the period, are shown at Appendix 2. As required by Statement of Insolvency Practice Number 9, a schedule of the Liquidator's charge out rates and disbursement charging policies is shown at Appendix 3.

5.7 During the period no Category 2 disbursements have been drawn.

5.8 The disbursements incurred or expected to be incurred are not likely to exceed the details given to the creditors in the fee estimate during the Administration.

5.9 A copy of 'A Creditors' Guide to Liquidators' Fees' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set is available at <http://www.lucasjohnson.co.uk/downloads/fee-guides/>. Alternatively, if you require a hard copy of the Guide, please contact the Liquidator's office.

Expenses

5.10 Details of the Liquidator's expenses paid during the reporting period are shown on the receipts and payments account at Appendix 1. There are also various expenses incurred for which payment has not yet been made. For clarity, all expenses incurred during the period are set out below:

Expense Incurred	Name of provider	Amount incurred (£)	Amount recharged (£)	Balance Outstanding (£)
Agent Fees	JPS Chartered Surveyors	2,500.00	900.00	1,600.00
Agent Disbursements	JPS Chartered Surveyors	1,640.00	1,320.00	320.00
Legal Fees	Brabners LLP	1,173.00	-	1,173.00
Statutory Advertising	EPE Reynell	73.00	73.00	-
Total		5,386.00	2,293.00	3,093.00

5.11 JPS Chartered Surveyors were instructed to assist the Joint Administrators with realising the assets in this case and the fee basis agreed was disbursements incurred plus 10% of any asset realisations.

5.12 Brabners LLP were instructed during this period in order pursue Mr Thornton for the debts owing on behalf of Go Tankers to the Company. The fee basis agreed with Brabners LLP is a time cost basis.

6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Outcome for Secured Creditors

6.1 The Company granted HSBC Bank Plc ("HSBC") a debenture dated 23 October 2012 which conferred a fixed and floating charge over all the assets of the Company.

BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020

6.2 HSBC submitted a claim in the Administration for £33,265. Any distribution to HSBC under their charge is dependent upon realisations from the connected party debtor.

6.3 The Company has also obtained funding from an invoice discounting agreement with HSBC Invoice Factoring ("HSBCIF"). This facility was secured by a debenture dated 22 January 2013. The Administrators were advised that no funds were outstanding in this regard, despite the Certificate of Satisfaction not being filed at Companies House.

Outcome for Preferential Creditors

6.4 There are no preferential creditors in this matter.

Prescribed Part pursuant to Section 176A of the Act

6.5 Under Section 176A of the Act a Liquidator is required to set aside a proportion of the realisations for unsecured creditors where there is a secured creditor who holds a qualifying floating charge created on or after 15 September 2003. This is known as the Prescribed Part.

6.6 The prescribed part of a company's net property is calculated as follows:

- 50% of the first £10,000 of net property;
- 20% of net property thereafter;
- to a maximum amount to be made available of £600,000

6.7 However, a Liquidator is not required to set aside the prescribed part if:

- the net property is less than £10,000 and the Liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- the Liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

6.8 As there is a qualifying floating charge registered at Companies House dated 23 October 2012, the Prescribed Part under Section 176A of the Act is applicable in this case.

6.9 Any distribution under the Prescribed Part is dependent upon the level of realisations from the connected party debtor.

Outcome for Unsecured Creditors

6.10 It was estimated there would be unsecured creditors of £1,365,175. As at the date of this report, claims totalling £1,754,371 have been received from unsecured creditors.

6.11 The difference is mainly due claims from lease companies for shortfalls and also from Redundancy Payments Service in respect of payments made to former employees for redundancy pay and pay in lieu of notice.

6.12 At this stage it is not possible to confirm whether it is likely that there will be funds available to distribute to unsecured creditors as this will be dependent upon realisations in respect of the connected party debtor. An update will be provided in the next progress report.

**BM TANKERING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 JANUARY 2019 TO 02 JANUARY 2020**

Creditors' rights

- 6.13 In accordance with Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors or the permission of the court, may, where it is believed the basis or quantum of remuneration or expenses charged by the Liquidator are, in all the circumstances, excessive or inappropriate, apply to the court within the prescribed period for an order adjusting the remuneration or expenses.
- 6.14 In accordance with Rule 18.9 of the Rules a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors or the permission of the court has the right to make a request in writing to the Liquidator for further information about remuneration or expenses set out in this progress report. If no response is received within 14 days any creditor has the right to apply to court within the subsequent 21 day period for the court to make such order as it thinks just.

Next Report to Creditors

- 6.15 The next report to creditors will be sent out to creditors following the next anniversary of the Liquidation or the conclusion of the winding up, whichever may be sooner.

**Kevin Lucas
Joint Liquidator**

13 February 2020

APPENDIX 1 – RECEIPTS AND PAYMENTS ACCOUNT

BM TANKERING LIMITED - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 03 JANUARY 2019 TO 02 JANUARY 2020

Bm Tankering Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 02/01/2020

S of A £		£	£
	SECURED CREDITORS		
(514,690.00)	Chargeholder - Grenke Leasing	NIL	NIL
	HIRE PURCHASE		
(71,842.87)	Finance Company (3)	NIL	NIL
	ASSET REALISATIONS		
NIL	Unlisted Investments	NIL	
Uncertain	Connected Party Debtor	NIL	
13,252.00	Transfer Funds from Administration	13,251.76	
	Third Party Funds held with Solicitors	107.00	13,358.76
	COST OF REALISATIONS		
	Former Administrators' Fees	7,000.00	
	Liquidators Disbursements	6.00	
	Former Administrators' Expenses	1,066.13	
	Agents/Valuers Fees	900.00	
	Agents Disbursements	1,320.00	
	Statutory Advertising	73.00	(10,365.13)
	FLOATING CHARGE CREDITORS		
(22,500.00)	HSBC plc	NIL	NIL
	UNSECURED CREDITORS		
(717,785.79)	Trade & Expense Creditors	NIL	
(132,000.00)	DE	NIL	
(13,500.00)	Directors	NIL	
(37,456.25)	Banks/Institutions	NIL	
(43,118.00)	DHS	NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
(1,539,740.91)			2,993.63
	REPRESENTED BY		
	Bank 1 Current		2,993.63
			2,993.63

APPENDIX 2 – SIP 9 TIME ANALYSIS AND CATEGORY 2 DISBURSEMENTS

BM TANKERING LIMITED - IN LIQUIDATION

TIME ANALYSIS FOR THE PERIOD 03 JANUARY 2019 TO 02 JANUARY 2020

Time Entry - SIP9 Time & Cost Summary

B0030 - Bm Tankering Limited
From: 03/01/2019 To: 02/01/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.90	0.00	5.60	2.40	8.90	1,757.50	197.47
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.80	0.00	1.60	0.50	2.90	690.00	237.93
Investigations	0.00	0.00	0.50	0.00	0.50	112.50	225.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	2.00	0.00	1.10	0.00	3.10	947.50	305.65
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	3.70	0.00	8.80	2.90	15.40	3,507.50	227.76
Total Fees Claimed						0.00	
Total Disbursements Claimed						79.00	

APPENDIX 3 – OFFICE HOLDERS' FEES AND DISBURSEMENTS POLICY

Fees based on Time Properly Given and the Estimation of Fees

Each member of staff involved with the case will time charge on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees.

Charge Out Rates

A table of current hourly charge out rates is provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	350
Manager/Senior Manager	250-275
Assistant Manager	225
Administrator/Senior Administrator	150-200
Cashier{#}	100
Junior and Support Staff	100

A table of hourly charge out rates prior to 31 December 2015 is provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	300
Manager/Senior Manager	200-250
Assistant Manager	190
Administrator/Senior Administrator	125-175
Cashier{#}	75
Junior and Support Staff	75

(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case.

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors' guides to fees, available to download from our company website or by email from this office.

The Office Holder reserves the right to uplift both the hourly rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report. Where such increases affect the total fees incurred and take these over the totality of any fee resolution proposed previously, an additional fee resolution will be sent to creditors for their consideration.

Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above.

VAT

Services provided by Insolvency practitioners are subject to VAT, except when acting as Nominee or Supervisor of an estate.

Our fees will be subject to VAT at the appropriate rate.

Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.

Expenses and Disbursements

Every case dealt with will incur expenses in addition to fees. These expenses will often also be referred to as disbursements.

Expenses will cover a number of areas, such as advertising, insolvency practitioner insurance and legal fees.

Where the Office Holder or his firm pays these out of their own funds (e.g. the firm's office account) these will be classed as Disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate Category 1 and 2 disbursements for your information. An explanation of which is as follows:

Category 1 Disbursements:

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These can, but are not limited to, include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate.

Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged. These expenses include, inter alia, stationery, photocopying and storage costs.

Any authorised category 2 disbursements which have been charged shall be shown in the statutory abstract of accounts.

The following is a current schedule of category 2 disbursements which may (*) be charged by Lucas Johnson

- Mileage shall be recharged at 50pence per mile;
- Storage of books and records at £30 per box per annum;
- Fixed charge to cover all and any circulars/correspondence at £10 per relevant party (creditors, employees, directors, members) per annum;
- Internal meeting room (where required) charged at £50 per hour or part thereof.

(*) Lucas Johnson does not ordinarily recover all category 2 disbursements, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained.

The following items of expenditure will normally be treated as general office overheads by the Office Holder and will not be charged to the case:

- Telephone and facsimile;
- Printing and photocopying;
- Stationery;
- Email addresses or telephone numbers set up and used exclusively for the case;

Code of Ethics

We are required to advise that we are bound by the Code of Ethics of our regulator, ICAEW. The Code of Ethics can be located directly from the ICAEW at <https://www.icaew.com/membership/regulations-standards-and-guidance/ethics/code-of-ethics-d>

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

Company name **Lucas Johnson Limited**

Address

2 Pacific Court**Pacific Road**

Post town

Atlantic Street

County/Region

Postcode

WA1 4 5BJ

Country

DX

Telephone

0161 929 8666**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