

**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

06251720

Name of Company

Homegrown Timber Sawmill Limited

I / We

Joanne Kim Rolls  
AMP House  
Dingwall Road  
Croydon  
Surrey  
CR0 2LXSteven John Parker  
AMP House  
Dingwall Road  
Croydon  
Surrey  
CR0 2LXthe 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 09/09/2011 to 08/09/2012

Signed

*JWR*

Date

14 September 2012

RSM Tenon Recovery  
AMP House  
Dingwall Road  
Croydon  
Surrey  
CR0 2LX

Ref 5015733/JKR/SJP/KAW

TUESDAY  
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A06 25/09/2012 #191

COMPANIES HOUSE

\*A117BBCG\*

A14 18/09/2012 #262

COMPANIES HOUSE

**Homegrown Timber Sawmill Limited – In Liquidation  
("the Company")**

**Joint Liquidators' First Progress Report  
for the Year from Appointment on 9 September 2011 to  
8 September 2012**

**Issued on: 14 September 2012**

**TUESDAY**

A06

25/09/2012  
COMPANIES HOUSE

#192

## **Homegrown Timber Sawmill Limited ("the Company") – In Liquidation**

### **JOINT LIQUIDATORS' FIRST PROGRESS REPORT AS AT 14 SEPTEMBER 2012**

#### **1 Introduction**

Joanne Kim Rolls and Steven John Parker are the Joint Liquidators of the Company and this is their first progress report to the creditors and members of the Company, showing how the liquidation has been conducted. The report covers the period from 9 September 2011 to 8 September 2012 and should be read in conjunction with my initial report dated 9 September 2011.

#### **2. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**.

#### **3. Joint Liquidators' Receipts and Payments Account**

A summary of the Joint Liquidators' receipts and payments account relating to the Company from commencement to date is attached at **Appendix II**.

#### **4. Action taken by the Joint Liquidators since Appointment**

The Company was wound up on 9 September 2011 and Joanne Kim Rolls and Steven John Parker were appointed Joint Liquidators at meetings of members and creditors held on 9 September 2011.

#### **Book Debts**

Pulse Cashflow Finance Limited ("Pulse") provided a factoring facility to the Company. Under the facility the Company's book debts are assigned to Pulse. As at the date of our appointment the sales ledger stood at £34,000 with Pulse being owed £5,000 subject to interest and termination fees.

Pulse have completed the collection of the ledger and have been paid in full. The surplus of the ledger in the sum of £33,529 was received by the liquidation on 15 December 2011.

#### **Plant & Machinery**

As previously reported, independent agents, SIA Group (UK) Limited ("SIA"), valued the Company's plant and equipment at £6,000 on an ex-situ basis. SIA sold the Company's plant and machinery to an independent third party for the sum of £8,500 plus VAT prior to our appointment. The consideration was received on 5 October 2011.

#### **Cash at Bank**

The Company's cash at bank in the sum of £1,577 was received on 12 October 2011.

## **Investigations**

The Joint Liquidators' have a duty under the Company Directors Disqualification Act 1986 and the Insolvent Companies (Reports on Conduct of Directors) Rules 1996 to submit confidential reports or returns to the Department of Business Innovation and Skills Disqualification Unit on the conduct of those persons who have acted as directors of the Company with the three years prior to the liquidation. I can confirm that we have complied with our duties in this regard.

## **5. Future Actions of the Joint Liquidators**

All asset realisations are now complete.

A small dividend is to be declared and paid to unsecured creditors.

Once all unsecured dividend cheques have been cleared then I will take steps to close the liquidation.

## **6. Liabilities and Dividends**

### **Secured Creditors**

In consideration for monies advanced in respect of the factoring agreement, the Company granted a debenture to Pulse on 7 July 2011, which confers a fixed and floating charge over all the assets of the Company.

As advised above, Pulse have been paid in full from the book debt collections.

### **Preferential Creditors**

The preferential creditors were paid 100p in the pound on claims totalling £4,667 on 19 March 2012.

### **Prescribed Part**

The prescribed part does not apply as Pulse has been paid in full.

### **Ordinary Unsecured Creditors**

To date unsecured claims totalling £338,812 have been received.

I am pleased to advise that a small dividend will be payable to unsecured creditors. The final day for proving passed on 20 August 2012 and the dividend will be declared and sent to all proving unsecured creditors shortly.

## **7 Joint Liquidators' Remuneration, Disbursements and Expenses**

### **Basis of Remuneration and Disbursements**

At the initial meeting of creditors held on 9 September 2011 it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that their disbursements would be drawn in accordance with the tariff outlined at **Appendix III**.

### Remuneration Charged and Drawn in the Period

The Joint Liquidators' time costs were charged (exc VAT) as follows

	Incurred	Paid
For this period from appointment - 9 September 2011 to 14 September 2012	£18,538	£15,500

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

### Disbursements Incurred and Drawn

The Joint Liquidators' disbursements incurred and reimbursed are summarised below Details are in the attached **Appendix III**

	Incurred	Paid
Category 1 disbursements for this period from appointment - 9 September 2011 to 14 September 2012	£485	£407
<b>Total</b>	<b>£485</b>	<b>£407</b>

No category 2 disbursements have been charged in this matter

### Expenses (Professional Advisors) Charged and Drawn in the Period

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
SIA Group (UK) Limited	Agents valuation of assets	Fixed fee
Landwood Group	Agents valuation of lease of Company's premises	Fixed fee
Thomson Snell & Passmore	Solicitors validity advice	Fixed fee

The choice of professionals and the Joint Liquidators' fee arrangement with them was based on perception of their experience and ability to perform this type of work, together with the complexity and nature of the assignment

Details of the costs incurred and paid by the Joint Liquidators' in relation to liquidation expenses for the period are also attached at **Appendix III**

### Pre Appointment Costs

At the initial meeting of creditors held on 8 September 2011, it was resolved that the fees of RSM Tenon Recovery for assisting the Directors in convening the statutory meetings to place the Company into liquidation, and for assistance in preparing the Statement of Affairs, would be a set fee of £6,000 plus VAT and

disbursements Of the £6,000, £3,000 was paid to Stanley Burkett-Coltman of Cashisking Limited for his assistance of the preparation of the Statement of Affairs

These fees have been paid as an expense of the liquidation

### **Creditors' Guide to Fees and Statement of Creditors' Rights**

Creditors have a right to request further information from the Joint Liquidators' and additionally have a right to challenge the Joint Liquidators' remuneration and expenses time limits apply Details can be found in the document 'Remuneration Guidelines Liquidation (post 6 April 2010)' which you can access and download at <http://www.rsmtenton.com/creditorguides> Alternatively a copy is available free of charge upon request from the address above

### **8. Conclusion of the Liquidation**

I hope this report sufficiently updates you on the current position of the Liquidation However, should you require any further clarification please contact Kerry Whalley of my office



**J K Rolls**

**Joint Liquidator**

*Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association*

## **Statutory Information**

## **Appendix I**

### **Company Information**

Company Name	Homegrown Timber Sawmill Limited
Previous Name	N/A
Company Number	06251720
Date of Incorporation	18 May 2007
Trading Address	Green Lane Sawmills, Outwood, Redhill, Surrey, RH1 5QP
Current Registered Office	AMP House, Dingwall Road, Croydon, Surrey, CR0 2LX
Former Registered Office	C/o Snedker, Angel House, Hardwick, Witney, Oxfordshire, OX29 7QE
Principal Trading Activity	Sawmilling & planing of wood, impregnation of wood

### **Appointment Details**

Joint Liquidators' name and address	Joanne Kim Rolls of RSM Tenon Recovery, AMP House, Dingwall Road, Croydon, Surrey CR0 2LX  and Steven John Parker of RSM Tenon Recovery AMP House, Dingwall Road, Croydon, Surrey
Commencement of liquidation	9 September 2011
Date of appointment	9 September 2011
Appointment made by	Members and Creditors
The Joint Liquidators act jointly and severally	

**Homegrown Timber Sawmill Limited**  
**In Liquidation**  
**Joint Liquidators' Abstract of Receipts and Payments**

Statement  
of Affairs

From 09/09/2011  
To 08/09/2012

	<b>GENERAL FIXED CHARGE</b>	
34,000 00	Book Debts	5,000 00
(5,000 00)	Pulse Cashflow Finance Limited	<u>(5,000 00)</u>
		NIL
	<b>ASSET REALISATIONS</b>	
	Surplus of Book Debts	33,528 66
8,500 00	Plant & Machinery	8,500 00
NIL	Stock	NIL
1,532 00	Cash at Bank	1,577 45
	Bank Interest	<u>35 08</u>
		43,641 19
	<b>COST OF REALISATIONS</b>	
	Statement of Affairs Fee	3,000 00
	Statement of Affairs Fee - 3rd party	3,000 00
	Liquidators' Fees	15,500 00
	Liquidators Expenses	407 01
	Agents/Valuers Fees	1,100 00
	Legal Fees	500 00
	Courier Costs	46 80
	PAYE & NI	<u>159 78</u>
		(23,713 59)
	<b>PREFERENTIAL CREDITORS</b>	
	DE Arrears & Holiday Pay	3,868 58
(4,667 50)	Employees - Arrears & Holiday Pay	<u>639 13</u>
		(4,507 71)
	<b>UNSECURED CREDITORS</b>	
(36,693 42)	Trade & Expense Creditors	NIL
(30,436 00)	Employees - Notice Pay & Redundancy	NIL
(30,000 00)	Director's Loan	NIL
(168,209 00)	Homegrown Timber (Rail) Limited	NIL
(55,688 10)	Homegrown Timber Limited	NIL
(7,517 00)	HM Revenue & Customs - VAT	NIL
(4,670 00)	HM Revenue & Customs - PAYE/NI	<u>NIL</u>
		NIL
	<b>DISTRIBUTIONS</b>	
(2 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(298,851 02)</u>		<u><u>15,419 89</u></u>
	<b>REPRESENTED BY</b>	
	VAT Receivable	3,001 40
	Interest Bearing Current Account	12,418 49
		<u><u>15,419 89</u></u>



Joanne Kim Rolls  
Joint Liquidator



## **Appendix III**

### **Information relating to the Joint Liquidators' Fees and Expenses**

## Homegrown Timber Sawmill Limited

### Information relating to the Joint Liquidators' Fees and Expenses

#### 1 Explanation of Liquidators' charging and disbursement recovery policies

##### 1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

Grade of staff	Charge-out Rate	Charge-out Rate
	Jan-2011 (£ per hour)	Jan-2012 (£ per hour)
Director & Licensed Insolvency Practitioner	350-440	395-435
Associate Director	380	350
Senior Manager	310	295-315
Manager	260-310	235-265
Other Senior Staff	180-210	160-220
Assistants & Support Staff	80-160	100-130

##### 1.2 Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Recovery and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011). Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by RSM Tenon Recovery and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by RSM Tenon Recovery are as follows:

Room hire	£60.00
Envelope	42p
Paper (photocopies per sheet)	7p
Postage (depending on size and weight)	At cost
Storage of archive box for one month	32p
Travel (per mile)	45p

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally

## **2. Description of work carried out in the current period**

Section 3 of this Appendix outlines the time costs to date in relation to activities undertaken during this period. These can be summarised as follows:

### **2.1 Administration and planning**

The following activities have been undertaken:

- > Statutory duties associated with the appointment
- > Notification of the appointment to creditors, employees and other interested parties
- > Setting up case files
- > Reviewing available information to determine appropriate strategy
- > Setting up and maintaining bank accounts
- > Progress reviews of the case

Staff of different levels were involved in the above activities depending upon the experience required.

### **2.2 Investigations**

The time spent includes:

- > Corresponding with the former directors and management
- > Review of questionnaires and comments provided by interested parties
- > Review of company documentation
- > Completion of statutory returns to the Insolvency Service

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff.

### **2.3. Realisation of assets**

Please refer to section 4 of the main body of the report.

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake.

## 2 4. Creditors and distributions

The time spent includes the following matters

- > Recording and maintaining the list of creditors
- > Dealing with employee related matters
- > Paying dividends
- > Recording creditor claims
- > Reporting to creditors
- > Meeting of creditors
- > Dealing with creditor queries
- > Reviewing and evaluating creditor claims

## 3. Time and charge out summary

For the period of this report from appointment on 9 September 2011 to 14 September 2012, a total of 90 50 hours have been spent at an average charge out rate of £204 84 bringing the total cost to £18,538 50

The table below shows details of the time costs charged (exc VAT) in the current period

Classification of work function	Insolvency Practitioner/ Director/ Associate Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning	7 70	-	20 70	20 10	48 50	7,845 50	161 76
Creditors	8 80	-	13 70	2 50	25 00	6,283 00	251 32
Investigations	2 70	-	6 10	0 20	9 00	2,220 00	246 67
Realisation of assets	4 00	-	4 00	-	8 00	2,190 00	273 75
Total hours	23 20	-	44 50	22 80	90 50		
Total fees claimed £	9,045 50	-	7,687 50	1,805 50		18,538 50	204 84

#### 4. Disbursements

Disbursements incurred and reimbursed from commencement of the liquidation to 14 September 2012 are detailed below

Disbursements	Incurred £	Paid £
Category 1		
Statutory advertising	306 00	229 50
Bond premium	80 00	80 00
Storage costs	64 55	63 55
Mail redirection	25 96	25 96
Website charge	8 00	8 00
<b>Total</b>	<b>484.51</b>	<b>407 01</b>

The above costs exclude VAT

No Category 2 disbursements have been charged to this matter

#### 5. Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following parties, covering the current period,

Name & Activity	This period	
	Incurred £	Paid £
SIA Group (UK) Limited	1,000 00	1,000 00
Landwood Group	100 00	100 00
Thomson Snell & Passmore	500 00	500 00
<b>Total</b>	<b>1,600 00</b>	<b>1,600.00</b>

The above costs exclude VAT