

## Section 106

## The Insolvency Act 1986

Return of Final Meeting in a  
Creditors' Voluntary Winding Up  
Pursuant to Section 106 of the  
Insolvency Act 1986

# S106

For Official Use

To the Registrar of Companies

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Company Number

6412975

Name of Company

A&amp;S Displays Limited

I / ~~We~~

Michael Durkan  
17 Berkeley Mews  
29 High Street  
Cheltenham  
GL50 1DY

give notice

- 1 that a general meeting of the company was ~~held on~~/summoned for 03 November 2011 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting
- 2 that a meeting of the creditors of the company was ~~held on~~ / summoned for 03 November 2011 pursuant to section 106 of the Insolvency Act 1986 for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting

Signed



Date

03 November 2011

Durkan Cahill  
17 Berkeley Mews  
29 High Street  
Cheltenham  
GL50 1DY

Ref ASDIS01/MPD/GT/RS

For Official Use

Insolvency Sect I Post Room

MONDAY



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07/11/2011

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COMPANIES HOUSE

A&S Displays Limited - In Creditors Voluntary Liquidation

Final Progress Report

3 November 2011

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## **1 INTRODUCTION**

- 1 1 I write further to the creditors' meeting held on 18 June 2010 and my report of 28 June 2011
- 1 2 The purpose of this report is to detail my acts and dealings together with the conduct of the liquidation since my appointment

## **2 BACKGROUND**

- 2 1 The members' and creditors' meetings were held on 18 June 2010, when I was appointed liquidator of the company
- 2 2 The company's registered office is 17 Berkeley Mews, 29 High Street, Cheltenham, GL50 1DY
- 2 3 The company's former registered office was previously at Fairthorpe, Denham Green Lane, Uxbridge, UB9 5LA This was also the former trading address
- 2 4 The company's principal activity was the production and installation of exhibition stands and displays The company also generated some storage revenue from clients that wished to use the displays again at a later date
- 2 5 The main cause of failure was stated to be the effects of the recession In efforts to cut costs, at the start of 2009 the company's clients began to request that their stands be disposed of, which resulted in a significant loss of revenue from both the storage and re-installation aspects
- 2 6 Further loss of business occurred throughout 2009 as a result of major clients restructuring their marketing operations Efforts to obtain new contracts did not result in the level of work necessary to enable the company to manage its overheads and liabilities that had built up As a result the decision was taken to cease trading in May 2010 and place the company into voluntary liquidation

## **3. ASSET REALISATIONS**

### **Surplus on Factoring Account**

- 3 1 The company held a factoring agreement with Factor 21 plc ('Factor 21') At the time of my appointment, there was a nil balance on the company's sales ledger and the account was £796 14 in credit Factor 21 advised that their fees had not been drawn and therefore it was uncertain as to whether any surplus would be available in the liquidation This was reflected on the Statement of Affairs
- 3 2 Following my appointment I received confirmation that there were no surplus funds available following the settlement of Factor 21's account

### **Plant, Machinery, Furniture & Stock and Motor Vehicles**

- 3 3 The company owned some items of plant, machinery, furniture and stock, and two motor vehicles I instructed an independent agent, James Gregory AssocRICS of MGR Appraisals Limited ('MGR') to undertake a professional valuation of these assets The estimated to realise values shown on the statement of affairs of £4,300 and £800 respectively, are the ex-situ market values based upon the following assumptions,
- All figures expressed are net of all costs of sale and occupation of premises

- A 90 day period for preparation, marketing and clearance
- All the owned assets would be available for sale
- The assets are fully marketed and exposed to the market place
- The assets will be sold as a whole for removal or as individual items for removal at the expense of the purchaser

- 3 4 The assets were sold to Jigsaw Displays Limited on 18 June 2010 for the sum of £6,300 plus VAT, apportioned as follows

	£	
Plant, Machinery, Furniture & Stock		5,500
Motor Vehicles		800
		<u>6,300</u>

- 3 5 Prior to completing a sale I discussed the offer to purchase the assets with MGR. They advised that the offer represented the best realisation of assets in the circumstances. The full consideration was received on 15 July 2010.
- 3 6 Whilst there is no direct connection between the controlling members of the company and the purchaser, it is my understanding that the director of A&S Displays Limited was subsequently employed by the purchaser following the liquidation of the company. The director of Jigsaw Displays Limited was also a former employee of the company.

#### **Book Debts**

- 3 7 The company also had a book debt of £6,008.75 due from one customer that was not subject to the factoring agreement with Factor 21. This amount was written down by a general provision of 25% for the purposes of the Statement of Affairs and was therefore estimated to realise £4,506.56.
- 3 8 Following my appointment I made attempts to collect in the book debt, however I was advised that there were some issues with the work undertaken and a dispute raised over the amounts that had been invoiced.
- 3 9 I instructed solicitors, Harrison Clark LLP to assist with the collection of the debt. Due to the nature of the dispute and the size of the debt, the costs that would have been incurred in pursuing the full amount outweighed the potential benefit that could be achieved. A settlement offer of £4,055.00 was proposed by the debtor and subsequently accepted. Total funds of £4,055.00 have been received in full and final settlement of the amount due.

#### **Miscellaneous Receipts**

- 3 10 Following my appointment, funds of £614.60 were received in respect of an insurance refund from Towergate Coverex ('Towergate'). I previously reported that Towergate had requested the return of the refund, as they claimed that these funds were due to Premium Credit Limited under the terms of their credit agreement with Towergate. I requested documentation from Towergate in support of their claim. However Towergate has now confirmed that they will not be pursuing the matter any further.
- 3 11 A VAT refund of £118.26 has been received in respect of post-liquidation factor termination fees.
- 3 12 Bank interest of £0.49 (net of tax) has been received to date on funds held in the liquidation account.

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#### **4. INVESTIGATIONS**

- 4 1 I have completed my investigations in to the affairs of the company in accordance with Statement of Insolvency Practice 2 Tasks undertaken in respect of my investigations include
- Analysis of bank accounts
  - Examining validity of any security granted by the company
  - Examining balance sheets and profit & loss accounts
  - Review of company books and records to include review of sales and purchase invoices
  - Receiving enquiries from and dealing with matters brought to my attention by creditors or other third parties
  - Making enquiries of and obtaining information from officers of the company
- 4 2 These investigations have not lead to the discovery of potential actions that would lead to recoveries being made into the liquidation
- 4 3 My final report on the conduct of the director was submitted to the Insolvency Service on 21 February 2011 The content of the report is confidential and details will not be disclosed

#### **5 CREDITORS' CLAIMS**

##### **Secured Creditors**

- 5 1 As stated earlier in this report, the company entered into a factoring agreement with Factor 21 Factor 21 held a debenture created on 18 December 2007 and registered on 3 January 2008 Factor 21 was due to draw their termination fees from the balance of funds held, although the level of these fees was unknown at the time of my appointment
- 5 2 Following my appointment I received confirmation that Factor 21 had charged a total of £804 47 in termination fees No further claim has been submitted in the liquidation

##### **Preferential Creditors**

- 5 3 The preferential claims of employees as recorded on the statement of affairs amounted to £5,925 33
- 5 4 A claim in the sum of £3,600 has been received from the Insolvency Service in respect of preferential elements of claims paid to employees by the Redundancy Payments Office
- 5 5 Employees are not required to submit claims to me for sums due as their claims are automatic The balance of preferential claims of employees is £1,489 33

##### **Non-preferential Creditors**

- 5 6 Unsecured creditors, as per the statement of affairs totalled £135,685 37
- 5 7 A total of nine creditors have submitted claims totalling £135,789 75 to date
- 5 8 No work has been undertaken in respect of agreeing creditors' claims as there was no prospect of a dividend becoming payable to any class of creditor
-

## 6 DIVIDEND PROSPECTS

- 6 1 No dividend has been paid to any class of creditor in this matter as there were insufficient funds following payment of the costs and expenses of the liquidation

## 7 COSTS AND EXPENSES

- 7 1 Details of payments are shown on the receipts and payments account at Appendix 1
- 7 2 In accordance with Statement of Insolvency Practice 9 the Liquidator must disclose the time spent and charge out value, together with, where appropriate, such additional information sufficient to provide an explanation of the time spent and fees drawn

Details of the expenses recovered from the funds held are as follows,

Category 1	Incurred	Recovered	Not recovered
Postage	£16 51	£8 67	£7 84
Specific Bond	£60 00	£60 00	£0 00
<b>Category 2</b>			
Photocopying	£42 30	£38 10	£4 20
Mileage	£70 00	£70 00	£0 00
Facsimile	£7 00	£5 00	£2 00
Stationery	<u>£20 00</u>	<u>£20 00</u>	<u>£0 00</u>
	£215 81	£201 77	£14 04

- 7 3 At a meeting of creditors held on 18 June 2010 it was resolved that payment shall be made out of the company's assets of the necessary expense of preparing the Statement of Affairs in the sum of £4,000 plus VAT. The sum of £4,000 plus VAT has been drawn in respect of the Liquidator's Statement of Affairs fee
- 7 4 At the meeting of creditors held on 18 June 2010 it was also resolved that the Liquidator's remuneration be fixed in accordance with time charges incurred together with authorisation to re-charge category 2 disbursements. Attached to this report at Appendix 2 is a time and charge out summary to date. The hours charged to this case are in respect of the performance of the statutory duties of the Liquidator and attending to the matters detailed in this report
- 7 5 Time costs incurred to date amount to £8 310 00. This equates to 64 70 hours at an average hourly rate of £128 44. Fees of £5,441 08 have been paid to date. Time costs of £2,868 92 are not recoverable

## 8. NOTICE OF FINAL MEETINGS

- 8 1 I attach at Appendix 3 a notice of final meetings, convened pursuant to Section 106 of the Insolvency Act 1986. Please note that the information to be presented at these meetings will be identical to that contained within this report and the meetings will be of an entirely formal nature. You may therefore deem it unnecessary to attend
- 8 2 If you wish to attend or vote at the meetings, please complete and return the proxy form attached at Appendix 4 to my office no later than 12 noon on the business day prior to the meeting
- 8 3 If you propose to attend the meetings, kindly advise my office in advance

**9 CONCLUSION**

9 1 I have completed my administration of this case No further reports will be sent

9 2 I shall be pleased to provide any additional information that you may reasonably require

A handwritten signature in black ink, appearing to read 'Michael Durkan', with a stylized, cursive script.

Michael Durkan  
Liquidator

**APPENDIX 1**

**Liquidator's receipts and payments account**



**A&S Displays Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 30/09/2011 To 03/11/2011	From 18/06/2010 To 03/11/2011
	<b>SECURED ASSETS</b>		
Uncertain	Surplus on Factoring Account	NIL	NIL
		NIL	NIL
	<b>SECURED CREDITORS</b>		
Uncertain	Factor 21 plc	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
4,300 00	Plant, Machinery, Furniture & Stock	NIL	5,500 00
800 00	Motor Vehicles	NIL	800 00
4,506 56	Book Debts	NIL	4,055 00
	VAT Refund	NIL	118 26
	Insurance Refund	NIL	614 60
	Bank Interest Net of Tax	NIL	0 49
NIL	Factored Book Debts	NIL	NIL
		NIL	11,088 35
	<b>COST OF REALISATIONS</b>		
	Specific Bond	NIL	60 00
	Preparation of Statement of Affairs	NIL	4,000 00
	Liquidator's Fees	NIL	5,441 08
	Liquidator's Expenses	NIL	201 77
	Agent's Fees re Asset Valuation	NIL	800 00
	Legal Fees re Book Debt	NIL	405 50
	Statutory Advertising	NIL	180 00
		NIL	(11,088 35)
	<b>PREFERENTIAL CREDITORS</b>		
(5,925 33)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(15,163 65)	Trade & Expense Creditors	NIL	NIL
(71,882 40)	Employees	NIL	NIL
(26,000 00)	Director	NIL	NIL
(211 68)	Barclays Bank Plc	NIL	NIL
(15,063 64)	HM Revenue & Customs - PAYE	NIL	NIL
(7,364 00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(132,104.14)</b>		<b>NIL</b>	<b>0.00</b>
	<b>REPRESENTED BY</b>		
			<b>NIL</b>



Michael Durkan  
Liquidator

**APPENDIX 2**

**Analysis of time costs & Disbursement Recovery Policy**

Time Entry - SIP9 Time & Cost Summary

ASDIS01 - A&S Displays Limited  
Project Code POST  
From 18/06/2010 To 03/11/2011

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1 00	1 50	0 00	28 60	31 10	4 062 00	130 61
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 20	0 00	4 00	4 20	528 00	125 71
Investigations	0 00	0 30	0 00	20 20	20 50	2 496 00	121 76
Marketing	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Non Chargeable	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	1 30	0 00	7 60	8 90	1 224 00	137 53
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 00	3 30	0 00	60 40	64 70	8 310 00	128 44
Total Fees Claimed						5,441 08	
Total Disbursements Claimed						0 00	

## **Durkan Cahill Disbursements Recovery Policy**

### **Category 1 Disbursements**

Bordereau/Insurance	Charged at cost
Case Advertising	Charged at cost
Courier	Charged at cost
DTI IVA Registration Fee	Charged at cost
Subsistence	Charged at cost
Land Registry/ Co Searches	Charged at cost
Postage	Charged at cost
Post re-direction	Charged at cost
Travel	Charged at cost for public transport and taxis

### **Category 2 Disbursements**

Fax	£1 00 per page sent, based on the average cost of consumables, maintenance, line rental and call charges
Telephone	Record of outgoing calls to be made, calls charged at £1 00 per call made, based on estimated average cost of calls to land lines and mobile networks
Photocopying	15 pence per copy irrespective of size, based on the average cost of consumables and maintenance
Room Hire	£70 for room hire made available in house for creditors meetings, based on the cheapest external rate for room-hire used by the firm in the last 4 years External room hire charged at cost
Storage	£5 00 per box per annum, boxes are currently stored on the firms premises at 17 Berkeley Mews, 29 High Street, Cheltenham, GL50 1DY
Mileage	Car travel charged at 40 pence per mile
Stationery	Initial case set up fee of £20 per case Annual case/file maintenance charge of £10 These charges are based on the average costs involved in the purchase of files and associated stationary

### **Durkan Cahill Staff Charge Out Rates**

Principal	£300 per hour
Senior Manager	£240 per hour
Manager	£180 per hour
Assistant Manager	£150 per hour
Administrator	£120 per hour
Clerical	£60 per hour

**APPENDIX 3**

**Notice of final meetings**

**A&S Displays Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**  
**From 18 June 2010 To 3 November 2011**

S of A £		£	£
	<b>SECURED ASSETS</b>		
Uncertain	Surplus on Factoring Account	NIL	NIL
	<b>SECURED CREDITORS</b>		
Uncertain	Factor 21 plc	NIL	NIL
	<b>ASSET REALISATIONS</b>		
4,300 00	Plant, Machinery, Furniture & Stock	5,500 00	
800 00	Motor Vehicles	800 00	
4,506 56	Book Debts	4,055 00	
	VAT Refund	118 26	
	Insurance Refund	614 60	
	Bank Interest Net of Tax	0 49	
NIL	Factored Book Debts	NIL	11,088 35
	<b>COST OF REALISATIONS</b>		
	Specific Bond	60 00	
	Preparation of Statement of Affairs	4,000 00	
	Liquidator's Fees	5,441 08	
	Liquidator's Expenses	201 77	
	Agent's Fees re Asset Valuation	800 00	
	Legal Fees re Book Debt	405 50	
	Statutory Advertising	180 00	(11,088 35)
	<b>PREFERENTIAL CREDITORS</b>		
(5,925 33)	Employee Arrears/Hol Pay	NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(15,163 65)	Trade & Expense Creditors	NIL	
(71,882 40)	Employees	NIL	
(26,000 00)	Director	NIL	
(211 68)	Barclays Bank Plc	NIL	
(15,063 64)	HM Revenue & Customs - PAYE	NIL	
(7,364 00)	HM Revenue & Customs - VAT	NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
<b>(132,104.14)</b>			<b>0.00</b>

REPRESENTED BY

NIL

