

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

06463160

Name of Company

Abbey Security Ltd

I / We
Nedim Ailyan
142-148 Main Road
Sidcup
Kent
DA14 6NZ

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 26/11/2013 to 25/11/2014

Signed

Date 21.1.15

Abbott Fielding Limited
142-148 Main Road
Sidcup
Kent
DA14 6NZ

Ref ABBE001/NPA/RFD/AB

TUESDAY



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27/01/2015

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COMPANIES HOUSE

Abbey Security Ltd.
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs	From 26/11/2013 To 25/11/2014	From 26/11/2012 To 25/11/2014
SECURED ASSETS		
Book Debts	NIL	7,244 50
	NIL	7,244 50
ASSET REALISATIONS		
1,000 00 Goodwill	NIL	1,000 00
NIL Motor Vehicles	NIL	NIL
Bank Interest Gross	0 37	1 04
	0 37	1,001 04
COST OF REALISATIONS		
Preparation of S of A	NIL	3,500 00
Liquidator's Remuneration	NIL	2,500 00
Office Holders Expenses	NIL	425 11
	NIL	(6,425 11)
PREFERENTIAL CREDITORS		
(39,807 40) Employee Arrears/Hol Pay	NIL	NIL
	NIL	NIL
UNSECURED CREDITORS		
(4,621 50) Trade & Expense Creditors	NIL	NIL
(61,346 45) Employees	NIL	NIL
(9,067 72) HSBC Bank Plc	NIL	NIL
(369,565 01) HM Revenue and Customs - PAYE an	NIL	NIL
(39,894 87) HM Revenue and Customs - VAT	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(100 00) Ordinary Shareholders	NIL	NIL
	NIL	NIL
(523,402.95)	0 37	1,820.43
REPRESENTED BY		
Vat Receivable		1,267 69
Bank 1 Current		752 74
Vat Payable		(200 00)
		1,820.43

I would therefore advise as follows

STATUTORY INFORMATION

Company Name	Abbey Security Ltd
Company Number	06463160
Current Registered Office	142/148 Main Road Sidcup, Kent, DA14 6NZ
Former Registered Office	364-368 Cranbrook Road, Gants Hill, Ilford, Essex, IG2 6HY
Trading address	50A High Street, Sittingbourne, Kent, ME10 4PB
Office Holder(s) / Numbers	Nedim Ailyan (9072)
Liquidator's Date of Appointment	26 November 2012

ASSET REALISATIONS

Book Debts

The company operated a factoring agreement with Bibby Financial Services Ltd ("Bibby") and subsequent to my appointment Bibby advised that their collection activities remain ongoing. In January 2013, Bibby advised that these collection activities had been concluded and transferred surplus funds totalling £7,244.50 to the liquidation. Bibby also reassigned debts totalling £10,321.88 for the benefit of the liquidation.

An additional outstanding invoice was located in the company's records and the revised outstanding debtor ledger totals £10,357.88. I have instructed agents Millmeads to pursue the outstanding ledger and to date, a total of £2,966.10 has been received. This sum was received outside of the reporting period and is therefore not reflected on the attached receipts and payments account. At the time of this report, my collection activities in respect of the outstanding balance of £7,391.78 remain ongoing.

Goodwill

As disclosed in the director's Estimated Statement of Affairs ("ESoA"), presented to the first meeting of creditors, the company's accounts for the year ended 31 December 2010 provided that the company had goodwill of £6,435. After allowing for amortisation, the goodwill had an estimated book value of £5,065 at the time of liquidation. The goodwill related to the amount paid in connection with the acquisition of the business in 2010.

ABI Security [sic] Services Ltd ("ABI"), a company of which Steven Surri is a director, made an offer to purchase the goodwill of the business from the liquidator for a sum of £1,000 plus VAT. It was not deemed necessary to obtain a professional valuation of the goodwill and as such, this offer was accepted. ABI made payment in full on 11 December 2012.

ABI did not take independent advice on the transaction and acknowledged that any discussion of the matter with Abbott Fielding was with a view to realising the best price for the assets of Abbey Security Services Ltd.

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Motor Vehicles

As disclosed in the director's ESoA, the company's accounts for the year ended 31 December 2010 provided that the company held motor vehicles with a book value of £18,594. After allowing for depreciation, these items would have had an estimated net book value of £10,750 at the time of liquidation. The director advised me that this related to two vehicles on hire purchase and two vehicles which were owned outright. He further advised that one of the hire purchase vehicles was written off and the other three vehicles were sold to staff members in 2011.

As previously reported there have been no realisations in respect of the company's motor vehicles, however I am currently awaiting further information to conclude my investigations in this regard.

Bank Interest Gross

Total bank interest of £1.04 has been received in the period from 26 November 2012 to 25 November 2014 on funds held in the interest bearing liquidation bank account, of which 37p has been received in the period 26 November 2013 to 25 November 2014.

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £3,500 plus VAT, plus disbursements, for assistance with the statement of affairs, producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 26 November 2012. The fee for the statement of affairs and meetings was paid from first realisations on appointment and is shown in the attached receipts and payments account.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 26 November 2012 to be drawn on a time cost basis. I attach with this report a summary of my firm's costs for the period from 26 November 2012 to 25 November 2014, which total £8,657.00 representing 42 hours at an average charge out rate of £206.12, of which £2,672.00 has been incurred in the period between 26 November 2013 and 25 November 2014. To date I have drawn £2,500 on account of these time costs, none of which has been drawn between 26 November 2013 and 25 November 2014. A creditors' guide to liquidators' fees can be obtained from Abbott Fielding or from our website at <http://www.abbottfielding.co.uk>.

A description of the routine work undertaken in the liquidation to date is as follows:

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
 - Convening and holding meetings of members and creditors
- 2 Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met

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3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors

4 Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Corresponding with agents Millmeads regarding the collection of outstanding book debts
- Liaising with the company's bank regarding the closure of the account

LIQUIDATOR'S EXPENSES

My expenses for the period from 26 November 2012 to 25 November 2014, as shown below, amount to £540 06, of which £80 49 has been incurred in the period between 26 November 2013 and 25 November 2014. To date I have drawn £425 11 on account of these expenses, none of which has been drawn between 26 November 2013 and 25 November 2014.

Disbursements	£
Advertising	153 00
Bond and Insurance	60 00
Searches	3 00
Postage	46 89
Storage	277 17
Total	540.06

Agents' Fees

As noted above I instructed agents, Millmeads, to pursue the company's outstanding debtor ledger. Their fees are based on a percentage of realisations and to date, the sum of £741 52 has been paid in respect of these fees. This sum was paid outside of the reporting period and is therefore not reflected on the attached receipts and payments account.

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

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CREDITOR CLAIMS & DIVIDEND PROSPECTS

Secured Creditors

IGF Invoice Finance Limited ("IGF") have a fixed and floating charge over all of the company's assets dated 7 May 2010, which is supported by a personal guarantee from the director. The director advised that there was no liability due to IGF at the time of liquidation and to date, I can confirm that no secured claim has been received from IGF.

Bibby have a fixed and floating charge over all of the company's assets dated 5 September 2012, which is supported by a personal guarantee from the director. As noted above, subsequent to my appointment, Bibby reassigned the book debts following the settlement of their liabilities and costs and as such, no secured claim is anticipated.

Preferential Creditors

Preferential creditors' claims in the directors ESoA totalled £39,807.40 and to date I have received preferential claims to the value of £28,373.11. Based on current information I am uncertain as to whether there will be a dividend to preferential creditors.

Unsecured Creditors

Unsecured creditors' claims in the directors ESoA totalled £484,495.55 of which £409,459.88 was attributable to HM Revenue & Customs. To date, I have received unsecured claims totalling £813,984.35, which includes provisional claims of £728,556.54 from HM Revenue & Customs. Based on current information I am uncertain as to whether there will be a dividend to unsecured creditors.

Prescribed Part

The provisions of section 176A of the Insolvency Act 1986 require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a 'qualifying floating charge' over its assets to a lender on or after 15 September 2003. This is known as the 'prescribed part of the net property'. A company's net property is that left after paying any preferential creditors, but before paying the lender who holds a floating charge. A liquidator is required to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property, up to a maximum of £600,000.

As both secured creditors are now satisfied, all future asset realisations will be available for the benefit of preferential and unsecured creditors, less the costs of the liquidation.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I can advise that I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation and, taking account of the potential recoveries, the funds likely to be available to fund an investigation and the costs involved, I can confirm that, other than matters relating to the company's motor vehicles, there were no other matters that justified further investigation in the circumstances of this appointment, which would result in a benefit to creditors.

Within six months of my appointment as liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

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MATTERS PREVENTING CLOSURE

I am required to provide a further report on the progress of the liquidation within two months of the next anniversary unless I have concluded matters prior to this, in which case I will provide all creditors with my final progress report ahead of convening the final meetings of members and creditors

Based upon current information I anticipate that the liquidation will remain open for at least a further six months in order to conclude the realisation of the company's outstanding book debts and to conclude my investigations in respect of the company's motor vehicles

Should you have any queries regarding this matter please do not hesitate to contact Amy Bristow who is dealing with this matter on my behalf

Yours faithfully



Nedim Alyan
Liquidator

Nedim Alyan is licensed in the United Kingdom to act as an insolvency practitioner by the The Insolvency Practitioners Association

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**Abbey Security Ltd.
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 26/11/2013 To 25/11/2014 £	From 26/11/2012 To 25/11/2014 £
RECEIPTS			
Book Debts		0 00	7,244 50
Goodwill	1,000 00	0 00	1,000 00
Motor Vehicles	NIL	0 00	0 00
Bank Interest Gross		0 37	1 04
		<u>0 37</u>	<u>8,245 54</u>
PAYMENTS			
Preparation of S of A		0 00	3,500 00
Liquidator's Remuneration		0 00	2,500 00
Office Holders Expenses		0 00	425 11
Employee Arrears/Hol Pay	(39,807 40)	0 00	0 00
Trade & Expense Creditors	(4,621 50)	0 00	0 00
Employees	(61,346 45)	0 00	0 00
HSBC Bank Plc	(9,067 72)	0 00	0 00
HM Revenue and Customs - PAYE and NI	(369,565 01)	0 00	0 00
HM Revenue and Customs - VAT	(39,894 87)	0 00	0 00
Ordinary Shareholders	(100 00)	0 00	0 00
		<u>0 00</u>	<u>6,425 11</u>
Net Receipts/(Payments)		<u>0 37</u>	<u>1,820 43</u>
MADE UP AS FOLLOWS			
Vat Receivable		0 00	1,267 69
Interest Bearing Bank Account		0 37	752 74
Vat Payable		0 00	(200 00)
		<u>0 37</u>	<u>1,820 43</u>

SIP 9 - Time & Cost Summary

Period 26/11/13 25/11/14

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	0 00	0 00	7 20	7 20	1,450 00	201 39
Investigations	0 00	0 00	0 00	2 30	2 30	506 00	220 00
Realisations of assets	0 00	0 00	0 00	4 10	4 10	716 00	174 63
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	0 00	0 00	0 00	13 60	13 60	2,672 00	196 47
Total Fees Claimed						0 00	

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Time costs are calculated using 6 minute units. Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Charge-out Rates

	Period from 1 July 2011	Period from 1 January 2014
Partners	£325	£335
Managers	£240 - 275	£250 - 285
Administrators	£210	£220
Support Staff	£150	£160

Disbursements recovered by Abbott Fielding

Insolvency practitioners are required to divide the expenses incurred in an insolvency assignment into two categories. These are described below, together with examples of the type of expenses relating to each category.

CATEGORY 1

Category 1 Disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. It will also include services specific to the case where these cannot practicably be provided internally, such as printing, room hire and document storage. Information relating to a specific Category 1 disbursements can be provided where reasonably requested.

CATEGORY 2

Category 2 Disbursements are those where costs are recovered which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. These are identified and subject to approval by those approving the Insolvency Practitioner's remuneration. Such expenses should be of an incidental nature and directly incurred on the case. Where Category 2 disbursements are drawn there will be a reasonable method of calculation and allocation, for example a comparison with the cost of external provision of the expenses. The basis for charging Category 2 disbursements will be disclosed to creditors and authorised by those responsible for approving the Insolvency Practitioner's remuneration. Abbott Fielding will not be seeking to recover Category 2 disbursements in this case.