

The Insolvency Act 1986

**Liquidator's Progress
Report****S. 192****Pursuant to section 192 of the
Insolvency Act 1986**

To the Registrar of Companies

For official use

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Company Number

06557598

Name of Company

(a) Insert full
name of company

(a) AB Airconditioning Limited

(b) Insert full
name(s) and
address(es)I/We (b) Stephen Powell & Gordon Johnston of HJS Recovery, 12-14 Carlton
Place, Southampton, Hampshire SO15 2EAthe liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

Signed



Date 28 September 2012

Presenter's name
address and
reference
(if any)For
Liquidation Sec

SATURDAY



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29/09/2012

COMPANIES HOUSE

#46

**Joint Liquidators'
Annual Progress
Report to Creditors
and Members**

**AB Airconditioning Limited
("the Company")**

- In Liquidation

28 September 2012

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- A Receipts and Payments Account for the period 18 August 2011 to 17 August 2012
- B Time Analysis for the period 18 August 2011 to 17 August 2012
- C Additional Information in relation to Joint Liquidators' fees pursuant to Statement of Insolvency Practice No 9

1 Introduction and Statutory Information

1 1 We, Stephen Powell and Gordon Johnston of HJS Recovery, 12-14 Carlton Place, Southampton, Hampshire, SO15 2EA, were appointed as Joint Liquidators of AB Airconditioning Limited ("the **Company**") on 18 August 2011. This report provides an update on the progress in the Liquidation for the year ended 17 August 2012.

1 2 The principal trading address of the Company was Bank Chambers, 2 Church Street, Reigate, Surrey, RH2 0AN.

1 3 The registered office of the Company has been changed to c/o HJS Recovery, 12-14 Carlton Place, Southampton, Hampshire, SO15 2EA and its registered number is 06557598.

2 Realisation of Assets

2 1 *Book Debts*

At the date of Liquidation, there were book debts due to the Company with a book value of approximately £315,000. It was estimated that approximately £207,000 would be realised from these book debts.

The book debts were subject to a fixed charge in favour of Bibby Financial Services Limited ("Bibby"). However, the Company's liability to Bibby was discharged prior to the commencement of the Liquidation and the remaining book debts, with a book value of approximately £315,000, were reassigned to the Company.

To date, the sum of £4,670 has been received. However, the majority of the debtor ledger has been disputed and so the collection has been passed to solicitors to commence legal action.

This matter is ongoing. It is not known what level of realisations will be made in this regard.

Further updates in this regard will be provided in subsequent reports.

2 2 *Sundry Refund*

A refund in respect of an overpayment by the Company in the sum of £270 has been received from a former supplier.

2 3 *Directors' Contributions*

The sum of £6,000 has been received from the Company's director as a contribution towards the cost of the Liquidation.

3 Investigations

3 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (**BIS**) As this is a confidential report, I am not able to disclose the contents

3 2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigation may be appropriate This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire My investigations have not revealed any issues requiring further report at present

4 Creditors

Secured Creditors

4 1 At the commencement of the Liquidation, two fixed and floating debentures were registered against the Company in favour of Lloyds TSB Commercial Finance Limited and Bibby Financial Services Limited However, the Company's liabilities in respect of both of these debentures have been discharged in full

Preferential Creditors

4 2 No preferential claims have been received in this matter

Unsecured Creditors

I have received claims totalling £592,927 from 21 creditors I have yet to receive claims from 16 creditors whose debts total £195,382 as per the directors' statement of affairs

The Company granted floating charges to Lloyds TSB Commercial Finance Limited on 11 November 2010 and to Bibby Financial Services Limited on 10 June 2011 As previously stated, both of these liabilities have been discharged in full and therefore there is no requirement for the Joint Liquidators to set aside a 'Prescribed Part' fund from the Company's net floating charge property for the benefit of unsecured creditors

4 3 At present, it is not known if there is any likelihood of a dividend to unsecured creditors as this is dependent upon the level of realisations of the Company's book debts

5 Joint Liquidators' Remuneration

- 5 1 The Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation
- 5 2 The Joint Liquidators' time costs for the period from 18 August 2011 to 17 August 2012 are £23,473 This represents 141 hours at an average rate of £167 per hour Attached at Appendix C is a time analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by this firm in managing the Liquidation
- 5 3 The sum of £10,000 has been drawn in relation to the costs incurred in placing the Company into Liquidation as agreed by creditors at the initial meeting of creditors held on 18 August 2011
- 5 4 No fees or disbursements have been drawn in relation to the Joint Liquidators' time costs to date due to insufficient funds being available
- 5 3 Attached as Appendix E is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade
- 5 4 No Category 2 disbursements have been charged or drawn in this matter

6 Joint Liquidators' Expenses

The following expenses have been incurred since my appointment as Joint Liquidator

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount outstanding £
Legal & Public Notices	Statutory advertising	128	Nil	128
AUA Insolvency Risk Services Ltd	Bordereau	330	Nil	330
Premier Inn	External room hire	125	Nil	125

7 Creditors' rights

- 7 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 Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report

- 7.2 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 Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive

8 Next Report

- 8.1 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 progress report ahead of convening the final meeting of creditors

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stephen Powell', written over a horizontal line.

Stephen Powell FCCA MABRP
Joint Liquidator

Enc

Appendix C

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

1 Policy

Detailed below is HJS Recovery's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

1.1 *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Manager, Administrator and/or an Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case

We are not proposing to utilise the services of any sub-contractors in this case

1.2 *Professional advisors*

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
Pans Smith LLP (book debt collection)	Conditional fee agreement

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

13 Disbursements

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.

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.

We would confirm that this firm does not seek to charge any Category 2 disbursements.

2 Charge-out rates

A schedule of HJS Recovery charge-out rates was issued to creditors at the time the basis of the Joint Liquidators' remuneration was approved. There have been no material increases in charge-out rates since that date.

	Per hour £
Insolvency Practitioners	350
Senior Managers & Managers	200-275
Supervisors	150-175
Administrators & Support Staff	50-125

AB Airconditioning Limited
(In Liquidation)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 18/08/2011 To 17/08/2012 (£)	From 18/08/2012 To 21/09/2012 (£)	Total (£)
Book Debts	207,840 10	4,670 26	0 00	4,670 26
Sundry Refund		270 40	0 00	270 40
Bank Interest Gross		0 68	0 00	0 68
Director contributions		6,000 00	0 00	6,000 00
		10,941 34	0 00	10,941 34
PAYMENTS				
Preparation of S of A		10,000 00	0 00	10,000 00
		10,000 00	0 00	10,000 00
Net Receipts/(Payments)		941 34	0 00	941 34
MADE UP AS FOLLOWS				
Vat Receivable		2,000 00	0 00	2,000 00
Bank 1 Current		931 34	0 00	931 34
Vat Control Account		(1,990 00)	0 00	(1,990 00)
		941 34	0 00	941 34

TIME AND CHARGE OUT SUMMARIES

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration & Planning	0 50	0 00	6 37	25 14	32 01	£3,812 59	£119 11
Investigations	0 00	0 00	0 00	13 75	13 75	£1,718 75	£125 00
Realisations of assets	26 00	0 00	6 20	29 75	61 95	£13,746 25	£221 89
Creditors	0 00	0 00	1 20	29 41	30 61	£3,838 75	£125 41
Tax reviews	0 45	0 00	0 00	1 91	2 36	£356 25	£150 95
<u>Total</u>	<u>26 95</u>	<u>0 00</u>	<u>13 77</u>	<u>99 96</u>	<u>140 68</u>	<u>£23,472 59</u>	<u>£166 85</u>
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			
Previous Chargeout rates	£275 - £500	£150 - £200	£125	£50 - £105			