

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

06749392

Name of Company

Simpson Thomson Filtration Limited

I / We

Andrew M Bland, 41 Greek Street, Stockport, Cheshire, SK3 8AX

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 06/06/2014 to 05/06/2015

Signed



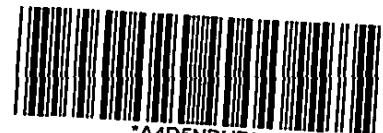
Date

4/8/15

DMC Recovery Limited
41 Greek Street
Stockport
Cheshire
SK3 8AX

Ref S007/AB/BR/CC

WEDNESDAY



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05/08/2015

COMPANIES HOUSE

#29

SIMPSON THOMSON FILTRATION LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION

ANNUAL PROGRESS REPORT

6 JUNE 2015

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1 INTRODUCTION

The purpose of this report is to detail my acts and dealings as Liquidator and it should be read in conjunction with my previous correspondence to Creditors

2 BACKGROUND

Simpson Thomson Filtration Limited (In Liquidation), ("the Company")

Registered office 41 Greek Street, Stockport, Cheshire, SK3 8AX

Registered Number 06749392

Other trading names None

Appointment details

The members' and creditors' meetings were held on 6 June 2014, when I was appointed Liquidator of the company

The company's principal activity was that of manufacturer and suppliers of filtration solutions and bulk material handling solutions

The main cause of failure was the downturn in trade and the failure of customers to raise funding via loans for capital equipment, also had a detrimental effect on turnover

3 ASSET REALISATIONS

The Liquidator's Receipts and Payment account for the period from 6 June 2014 to 5 June 2015 is attached at Appendix 1

According to the statement of affairs lodged in these proceedings, the assets of the company had an estimated to realise value of £8,184

Asset

The assets comprised of -

- | | £ |
|---|--------|
| • Book debts Secured to Bibby Factors Limited | 19,042 |
| • Cash In Client Account | 8,184 |
| • Of £19,042 the uncollected book debts of £7,538 were re-assigned by on behalf of Bibby Financial Services on 22 May 2015, they do not believe that any of the remaining debts are collectable, as they are in the main disputed | |
| • The Cash in the Client account has been received in Full | |

During the course of my investigations, transactions with directors have been uncovered which require additional investigation

I am currently considering this matter further in order to ascertain if there is the potential for any recovery

4 INVESTIGATION

The directors' conduct report was submitted to the Insolvency Service in December 2014. The content of this report is confidential.

5 CREDITORS CLAIMS AND DIVIDEND PROSPECTS

Secured creditors

As Bibby Financial Services Ltd holds a floating charge over the company's assets (on behalf of Bibby Factors Ltd) which was created on 9 April 2014, Section 176A (1) (a) requires the liquidators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. "**Net property**" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation) and if the floating charge was created on or after 15 September 2003. The **prescribed part** is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000).

The liquidator will not be required to set aside the prescribed part if

- a the net property is less than £10,000 and he thinks that the cost of distributing the prescribed part would be disproportionate to the benefit,
- b or if the net property is more than £10,000, if the provision is dis-applied by the court on the application of the liquidator on cost-benefit grounds.

If the floating charge was created before 15 September 2003, there is no net property and, consequently, no prescribed part of net property.

The fixed and floating charge in favour of Bibby Factors Limited created on 9 April 2014 and filed at Companies House on 11 April 2014 incorporates a floating charge which covers all the property or undertakings of the company and contains a negative pledge.

The charge also includes the specific assignment of bank assets. As at 6 June 2014, the amount due under the debenture was £19,042.

There is also a fixed and floating charge in favour of Lloyds TSB Commercial Finance Limited created on 25 March 2011 and filed at Companies House on 29 March 2011.

This was a Fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant & machinery. The directors have confirmed that this has been cleared and should show as satisfied. It is understood that form MR04 has been completed by the director.

The legislation requires that if the Company has created a floating charge after 15 September 2013, a prescribed part of the Company's net property (i.e. the money that otherwise would be available to the charge holder) should be ring fenced for distribution to unsecured creditors. In this case as there are no monies outstanding to the secured creditors the prescribed part will not apply.

Preferential Creditors

There are no Preferential Creditors.

Non-preferential/unsecured creditors

The trade and expense creditors, as per the statement of affairs, totalled £38,586

Proof of debt forms have been received from 4 Creditors in the sum of £32,313

HMRC, as per the statement of affairs had claims totalling £71,837, have provided a proof of debt for £127,043

Employees

Employee Claims per the statement of affairs were £5,660, to date no claim has been received from the Redundancy Payments Office although a claim was received from an employee

Dividends

Unless there are further realisations then it is unlikely that there will be a dividend for any class of creditor. I give notice as required by 4 186 and Rule 11 7 of the Insolvency Rules 1986 that a dividend will not be paid to unsecured creditors as there are insufficient funds to meet the claims of preferential creditors in full and the cost of the liquidation

6 COSTS AND EXPENSES

The payments shown on the summary of the Receipts and Payments at Appendix 1 are in the main self-explanatory

Liquidator's Remuneration

The members and creditors authorised the payment of a fee of £7,000 plus VAT and disbursements plus VAT for assistance with the statement of Affairs and producing and circulating the notices for the members and creditors meetings held on 6 June 2014. £6,185 plus VAT has been paid out of asset realisations, the balance and disbursements plus VAT remain outstanding

In accordance with SIP9 (revised), as the total costs incurred in the liquidation are less than £10,000 and there are no significant matters to report, a breakdown of the summary has not been provided

The Liquidator's remuneration was drawn in accordance with Insolvency Rules 1986 S4 127(2)(b) on a time cost basis in relation to this assignment, as authorised by creditors at the S98 Meeting on 6 June 2014, in accordance with the following resolution

"That the Liquidator is authorised to draw his remuneration on the basis of time properly spent by him and his staff, such time costs to be drawn on account from time to time as funds permit "

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

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 as appropriate

- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

Cashiering

- Maintaining and managing the Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

Creditors

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

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

Realisation of Assets

- Liaising with the factoring Company re book debts
- Liaising with the company's bank regarding the closure of the account
- Dealing with antecedent transactions

A copy of "A Creditors Guide to Liquidators Fees" published by the Association of Business Recovery Professionals is available at the following web address or alternatively a copy is available on request

<http://www.icaew.com/en/technical/insolvency/creditors-guides>

Please note that there are different versions for cases that commenced before or after 6 April 2010, for this case you should refer to the one marked "effective from 1 November 2011"

My complaints policy including reference to The Insolvency Gateway is contained on our website, www.dmc-recovery.co.uk

A hard copy of these documents is available on request

Further information on Creditor processes within insolvencies is available from www.creditorinsolvencyguide.co.uk

Summary of Costs

The liquidator's time costs for the period 6 June 2014 to 5 June 2015 total £4,982 representing 21 hours at an average hourly rate of £237 This remains outstanding and in the absence of further realisations will be written off

Liquidator's Disbursements

The Liquidator's category 1 disbursements for the 12 months to 6 June 2015 are as shown on the attached Receipts and Payments

The Liquidator's category 2 disbursements for the period are £77 24 and remain outstanding

7 FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

8 CONCLUSION

I am currently reviewing the responses from the directors and reconciling transactions claimed by the directors to have been in respect of company orders. If there have been transactions which are recoverable antecedent transactions for the benefit of creditors this will be pursued.

If you require any further information please contact Mrs Bev Rushforth on 0161 474 0920



Andrew Mark Bland

Liquidator

Authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England & Wales

**Simpson Thomson Filtration Limited
(In Liquidation)**

**Liquidator's Abstract Of Receipts And Payments
To 05 June 2015 ✓**

RECEIPTS	Statement of Affairs (£)	Total (£)
Book Debts	19,042 36	0 00
Bibby Financial Services Limited	Uncertain	0 00
Goodwill and Website		500 00
Cash In Client Account	8,184 00	8,184 24
Vat Payable		100 00
		<hr/>
		8,784 24
		<hr/>
PAYMENTS		
Specific Bond		36 00
Preparation of S of A		6,820 20
Re-Direction of Mail		120 00
Statutory Advertising		251 00
Vat Receivable		1,414 24
		<hr/>
		8,641 44
Net Receipts/(Payments)		142 80
		<hr/>

MADE UP AS FOLLOWS

Bank 1 Current	600 00
Office	(457 20)
	<hr/>
	142 80
	<hr/>



Andrew M Bland
Liquidator

DMC RECOVERY LIMITED

POLICY FOR FEES, BILLING AND DISBURSEMENTS AS AT 1 APRIL 2015

Fee Accrual

The Office Holder is the general name for the Insolvency Practitioner dealing with the case affairs

In accordance with the Insolvency Act 1986 and Insolvency Rules 1986, the Office Holder shall charge appropriate fees for dealing with the case affairs

It is usual practice for the agreement of fees to be sought on the basis of time properly incurred in dealing with the case. Sometimes fees are agreed as a fixed percentage of assets realised and/or distributions made, or a defined fixed/capped fee

The precise basis of how fees are to be incurred will be formally given to creditors prior to agreement being sought

The legal agreement and basis upon which post appointment fees are agreed is determined by the relevant category of creditors, details of which are explained within the respective independent creditors' guides to fees

Unless otherwise advised, fees shall be drawn on account from the case funds as and when realisations allow, subject to agreement

Staff

Each member of staff involved with the case will charge time 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

In view of the complexity of the work involved, it is not practice policy to use sub contractors, however we reserve the right to do so should the case require. Details of any sub contractor used shall be provided within the respective statutory report SIP 9 detail

VAT

Except when acting as a Nominee or Supervisor of an estate, 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

Disbursements

Every case will incur disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts (Receipts and Payments account) is produced

Regulations require that I separate category 1 and 2 disbursements for your information. An explanation follows

Category 1 Disbursements

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be recharged without profit. These 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

- Postage will be charged at the first class postage rate prevailing
- The list as above is not exhaustive and any other external supplies and services, specifically identifiable to the case will also be recovered as a category 1 disbursement at cost
- All category 1 disbursements shall be shown in the abstract of accounts suffixed by ⁽¹⁾

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 suffixed by ⁽²⁾

DMC RECOVERY LIMITED**POLICY ON FEES, BILLING AND DISBURSEMENTS AS AT 1 APRIL 2014**

The following is a current schedule of category 2 disbursements which may (*) be charged by DMC Recovery Limited

- Mileage shall be recharged up to 45 pence per mile in accordance with the appropriate rates determined by the HM Revenue and Customs
- Destruction of boxes shall be recovered as a category 1 expense, and
- Fixed charge for issue of each and every statutory circular @ £1 per relevant party

(*) DMC Recovery Limited does not ordinarily seek to recover Category 2 disbursements except for travel and business mileage directly attributable to the case, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained

Disclosure of Use of Connected Parties

Please note that where it is necessary to use the services of an external agent who is associated to the Office Holder's business by way of common directors and/or shareholders, it is advised by law, that this shown as a category 2 disbursement. Kindly note that no additional profit element will be charged in regard to these services if applicable

Charge Out Rates

A table of current hourly charge out rates are provided below

Charges for Cases	(£)
Insolvency Practitioner Partner/Director/Consultant	350
Senior Manager	275
Manager	225
Senior Administrator/	180
Administrator	130
Cashier	100
Support Staff	100

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

The Office Holder reserves the right to uplift 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

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

Recording of Fees

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

Reporting of Fees

All reports and correspondence detailing fees incurred and indeed drawn will provide the legal basis upon which fees have been incurred and from whom sanction was given in relation to those fees

Such information shall be contained within statutory progress reports and be in the prescribed form. When providing such a report, under existing insolvency regulations, creditors are able to request further and better particulars of fees and disbursements where they believe further explanation is required

The exact basis of how requisite members and creditors may request such information will be attached with each statutory progress report subsequently issued