

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

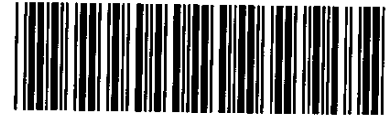
LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



A8VV5MCR

A14

03/01/2020

#22

COMPANIES HOUSE

1 Company details

Company number 0 6 8 4 5 6 9 7
Company name in full Drain Surgeons (New Malden) Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s) Constantinos
Surname Pedhiou

3 Liquidator's address

Building name/number Wenta Business Centre
Street 1 Electric Avenue
Post town Enfield
County/Region
Postcode E N 3 7 X U
Country United Kingdom

4 Liquidator's name ●

Full forename(s)
Surname

● Other liquidator

Use this section to tell us about another liquidator.

5 Liquidator's address ●

Building name/number
Street
Post town
County/Region
Postcode
Country

● Other liquidator

Use this section to tell us about another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6

Period of progress report

| | | | | | | | | |
|-----------|---|---|---|---|---|---|---|---|
| From date | 2 | 9 | 1 | 0 | 2 | 0 | 1 | 8 |
| To date | 2 | 8 | 1 | 0 | 2 | 0 | 1 | 9 |


7

Progress report

☒ The progress report is attached

8

Sign and date

| | | |
|------------------------|---|---|
| Liquidator's signature | Signature | |
| | X  | X |
| Signature date | 2 4 1 2 2 0 1 9 | |

LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Constantinos Pedhiou

ARC Insolvency Limited

Wenta Business Centre

1 Electric Avenue

Enfield

Postcode

E

N

3

7

X

U

United Kingdom

DX

020 8150 3730



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



**DRAIN SURGEONS (NEW MALDEN) LIMITED IN CREDITORS VOLUNTARY LIQUIDATION
("the Company")**

Annual Progress Report

For the period 29 October 2018 to 28 October 2019

**ARC Insolvency Limited
Wenta Business Centre
1 Electric Avenue
Enfield
EN3 7XU**

**020 8150 3730
mail@arcinsolvency.co.uk**

CONTENTS

- Executive Summary
- Administration and Planning
- Enquiries and Investigations
- Realisation of Assets
- Creditors
- Fees and Expenses
- Creditors' Rights
- EC Regulations
- Conclusion

APPENDICES

- Appendix I - Statutory Information
- Appendix II – Receipts and Payments account for the period 29 October 2018 to 28 October 2019
- Appendix III - Detailed list of work undertaken in the period
- Appendix IV - Expenses summary for period & comparison with estimate

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

| Asset | Estimated realise Statement Affairs | to per of | Realisations to date | Anticipated future realisations | Total anticipated realisations |
|------------------------------|---|-----------------|-------------------------|---------------------------------------|--------------------------------------|
| Book Debts | 2,278.00 | | 1,260.00 | NIL | 1,260.00 |
| Bank Interest Gross | NIL | | 3.75 | NIL | 3.75 |
| Directors Loans | NIL | | NIL | Uncertain | Uncertain |
| Fixed Assets | NIL | | NIL | NIL | NIL |
| Funds held in client account | 5,000.00 | | 5,907.60 | NIL | 5,907.60 |
| Total | 7,278.00 | | 7,170.55 | Uncertain | Uncertain |

Fees & Expenses

| Fees / Expense | Amount fees expenses estimate | per and | Fees Expense incurred to date | Anticipated further fees / expense to closure | Total anticipated fees / expense |
|--|-------------------------------------|------------|--|---|--|
| Petitioners Costs | NIL | | 902.40 | NIL | 902.40 |
| Specific Bond | 60.00 | | 60.00 | NIL | 60.00 |
| Statement of Affairs Fee | 4,000.00 | | 4,000.00 | NIL | 4,000.00 |
| Liquidator's fees – fixed | 15,000.00 | | 15,000.00 | NIL | 15,000.00 |
| Liquidator's fees – 15% of realisations | 342.00 | | 189.00 | NIL | Uncertain |
| Agents/Valuers Fees | NIL | | 750.00 | NIL | 750.00 |
| Statutory Advertising | 197.23 | | 197.85 | NIL | 197.85 |
| Software Costs | 185.00 | | 185.00 | NIL | 185.00 |

Dividend prospects

| Creditor class | Distribution / dividend paid to date | Anticipated distribution / dividend, based upon the above |
|------------------------|---|---|
| Secured creditor | N/A | N/A |
| Preferential creditors | N/A | N/A |
| Unsecured creditors | NIL | Uncertain |

Summary of key issues outstanding

- Obtain repayment proposal from the Director and collect sums due in respect of the Directors' Loans.

Closure

Based on current information, due to the issues outstanding as listed above, it is difficult to estimate the timing of any dividend to unsecured creditors or the closure of the liquidation.

ADMINISTRATION AND PLANNING

Statutory information

Statutory information may be found at Appendix I.

The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

The Liquidator has met his statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- The report presented to creditors prior to the appointment of a liquidator; and
- This progress report;

Other administration tasks

During the Review Period, the following material tasks in this category were carried out:

- Informing all relevant persons of the commencement of the liquidation, including filing statutory documents at Companies House and meeting statutory advertising requirements;
- Consulting with and instructing staff as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining electronic case files, which must include records to show and explain the liquidation and any decisions made by the Liquidator that materially affect the liquidation;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the liquidation is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments;
- Completing periodic tax returns.

ENQUIRIES AND INVESTIGATIONS

During the Review Period, the Liquidator carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the director by means of questionnaires and interviews; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The information gleaned from this process enabled the Liquidator to meet their statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment revealed matters that the Liquidator relating to the Directors' Loans that the Liquidator considered merited further investigation. These matters are detailed below.

REALISATION OF ASSETS

The Liquidator's Receipts and Payments account for the period 29 October 2018 to 28 October 2019 is attached at Appendix II.

As the Company was registered for VAT, all items are shown as net of VAT on the receipts & payments account, and the VAT was recovered for the benefit of the estate.

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Liquidator formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Book Debts

The book value of the book debts currently due to the Company is £4,556.40 as provided by the Director. The estimated to realise value of the book debts is based on the exclusion of debtors which are deemed uncollectable by the directors and the remaining book debts have been reduced by 50% to reflect that the company has entered liquidation and therefore the estimated to realise value has been reduced to £2,278.20. During the reporting period a total of £1,260 has been received in relation to the book debts. There are no further realisations anticipated due to the remaining debts being disputed and the costs of pursuing them outweighing any possible return to the liquidation estate.

Bank Interest Gross

I would advise that all asset realisations within the liquidation are held within an interest-bearing account. I can confirm that interest totalling £3.75 accrued on the account.

Directors' Loans

According to the accounts for year ended 31 March 2017, the Directors have an overdrawn loan account totalling £43,567, which is due to the Company. A review of the Company's records indicated that there were further transactions that increased the amount due under the loan account to c. £99,000. These transactions were queried with the Director, who disputed that the transactions were related to personal expenditure, however no adequate explanation has been provided. We have therefore pursued the Director to put forward repayment proposals, to which a settlement offer was made and negotiations in this regard are ongoing. It is currently uncertain what sums will be realised in respect of the Directors' Loans.

Fixed Assets

The Fixed Assets relate to a small amount of cleaning equipment and an old van with a book value of £3,991 as at 31 March 2017. The Director advised us that these may be of negligible value and had been disposed of. The Company's records were reviewed, and no additional assets were identified as having been purchased by the Company, therefore no realisations will be made in this regard.

Funds held in client account

The sum of £5,907.60 disclosed as being funds held in client account represents the monies paid by the director prior to my appointment towards my fee for convening and organising the meeting of creditors and assisting with the preparation of the statement of affairs and costs incurred by the petitioning creditor.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no charges over its assets.

Preferential creditors

The statement of affairs did not anticipate any preferential claims, and none were received.

Unsecured creditors

Unsecured creditors as per the statement of affairs totalled £262,001. Creditor claims totalling £221,424 have been received.

HMRC was shown to be owed £235,181. A claim of £194,927 has been received.

Dividend prospects

Currently, it is uncertain whether a dividend will be declared to unsecured creditors. This is dependant upon the amount that is realised in respect of Directors' Loans. A further update will be provided to creditors in the next report.

Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors. The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this Liquidation.

FEES AND EXPENSES

Pre-Appointment Costs

Fixed fee agreed with the Directors and ratified by members and creditors.

The creditors authorised the fee of £4,000 plus VAT for assisting the directors in calling the relevant meetings and with preparing the Statement of Affairs on 29 October 2018.

A payment of £1,000 plus VAT from this fee was paid to Brian Lonis & Co for their assistance with preparing accounts in connection with the Statement of Affairs.

The fee for assisting with the Statement of Affairs and meetings was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

The Liquidator's fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and a director then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or director.

The basis of the Liquidator's fees was approved by creditors on 29 October 2018 in accordance with the following resolution:

"That the basis of the liquidator's fees be a fixed fee of £15,000 for work carried out in the liquidation and 15% of the Fixed Assets, Book Debts and the Director's Loan Account for attending matters set out in the fee report".

During the reporting period the Liquidator has not drawn any fees in respect of the fees agreed on a fixed basis.

It was estimated that the Book Debts had a realisable value of £2,278 and that the anticipated fee on a percentage of realisations basis would be £342. The Fixed Assets and Director's Loan Account had an Uncertain realisable value, hence no estimate could be placed on the anticipated fee in respect of their realisations. No fees have been drawn in this regard.

Disbursements

The disbursements that have been incurred and not yet paid during the period are detailed on Appendix IV. Also included in Appendix IV is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

The category 1 disbursements paid for in the period 29 October 2018 to 28 October 2019 total £2,095.25 are detailed at Appendix II and represent the simple reimbursement of actual out of pocket payments made in relation to the assignment.

Specific Bond

The sum of £60.00 has been paid to Marsh Limited. A bond is mandatory for all insolvency appointments.

Statutory Advertising

The sum of £197.85 has been paid to advertise the virtual meeting of creditors, the notice of appointment of liquidator and the winding up resolution in the London Gazette.

Software Costs

The sum of £185.00 has been paid in respect of the software required by the Liquidator to administer the liquidation.

Petitioners Costs

The sum of £902.40 has been paid to HMRC in respect of their costs relating to the winding up petition issued against the Company.

No category 2 disbursements have been drawn during the reporting period.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3 can be accessed at <http://arcinsolvency.co.uk/creditor-guides>. An explanatory note which shows ARC Insolvency's charge-out rate and disbursement policy is available at the link <http://tiny.cc/ARCfees>. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request.

Other professional costs

Debt collectors

Moreland & Co solicitors were retained as debt collectors. By the date of appointment, the Company's debts were of some age. The fees have been agreed at a fixed fee of £750 plus VAT. Their fees for the period 29 October 2018 to 28 October 2019 amount to £750 and they have been paid in full. As

the remaining book debts are deemed to be uncollectible, it is not anticipated that any further fees will be incurred in respect of debt collections.

CREDITORS' RIGHTS

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.

EC REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

The Company's centre of main interest and their registered office were in the UK and therefore it is considered that the EC Regulations will apply. These proceedings are main proceedings as defined in Article 3 of the EC Regulation.

CONCLUSION

The administration of the case will be continuing in order to obtain the Director's repayment proposal and collect sums due in respect of the Directors' Loans.

Should you have any queries regarding this matter, or the contents of this report, please do not hesitate to contact Chuksemeka Chinaka on 020 8150 3730.



Constantinos Pedhiou
Liquidator

Appendix I

Statutory Information

| | |
|--------------------------|--|
| Company Name | Drain Surgeons (New Malden) Limited |
| Former Trading Name | N/A |
| Company Number | 06845697 |
| Registered Office | Wenta Business Centre, 1 Electric Avenue, Enfield, EN3 7XU |
| Former Registered Office | 12e Manor Road, London, N16 5SA |
| Officeholders | Constantinos Pedhiou |
| Officeholders address | Wenta Business Centre, 1 Electric Avenue, Enfield, EN3 7XU, United Kingdom |
| Date of appointment | 29 October 2018 |

Appendix II

Drain Surgeons (New Malden) Limited - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments

From 29 October 2018 To 28 October 2019

| S of A £ | | £ | £ |
|-----------|------------------------------|------------|------------|
| | ASSET REALISATIONS | | |
| 2,278 | Book Debts | 1,260.00 | |
| NIL | Bank Interest Gross | 3.75 | |
| Uncertain | Directors Loans | NIL | |
| NIL | Fixed Assets | NIL | |
| 5,000 | Funds held in client account | 5,907.60 | |
| 7,278 | | | 7,171.35 |
| | COST OF REALISATIONS | | |
| | Petitioners Costs | (902.40) | |
| | Specific Bond | (60.00) | |
| | Statement of Affairs Fee | (4,000.00) | |
| | Agents/Valuers Fees (1) | (750.00) | |
| | Statutory Advertising | (197.85) | |
| | Software Costs | (185.00) | |
| | | | (6,095.25) |
| | UNSECURED CREDITORS | | |
| (6,820) | Accountants | NIL | |
| (20,000) | Bank | NIL | |
| (235,181) | Trade Creditor | NIL | |
| (262,001) | | | NIL |
| (254,723) | | | 1,076.10 |

REPRESENTED BY

Vat Receivable
Drain Surgeon (New Malden) Limited

238.57
837.53

1,076.10


Constantinos Pedhiou
Liquidator

Annual Progress Report of Drain Surgeons (New Malden) Limited in Creditors Voluntary Liquidation

Appendix III

Detailed list of work undertaken for Drain Surgeons (New Malden) Limited in Creditors' Voluntary Liquidation for the review period 29 October 2018 to 28 October 2019

Below is detailed information about the tasks undertaken by the Liquidator.

| General Description | Includes |
|--|--|
| Statutory and General Administration | |
| Statutory/advertising | Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets |
| Document maintenance/file review/checklist | Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists |
| Bank account administration | Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments |
| Planning / Review | Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case |
| Books and records / storage | Dealing with records in storage Sending job files to storage |
| Reports | Circulating initial report to creditors upon appointment Preparing annual progress report, investigation, meeting and general reports to creditors Circulating final report to creditors |
| Meeting of Creditors | Preparation of meeting notices, proxies/voting forms and advertisements notice of meeting to all known creditors Collate and examine proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following meeting Issuing notice of result of meeting. |
| Investigations | |
| SIP 2 Review | Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions |
| Statutory reporting on conduct of director(s) | Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary report Assisting the Insolvency Service with its investigations |
| Realisation of Assets | |
| Book Debts | Liaising with director and collecting supporting documentation Correspondence with debtors Liaising with debt collectors and solicitors Agreeing debt collection agency agreements |
| Directors Loans | Reviewing transactions between the company and the director Liaising with director and accountant in relation to loan account |
| Fixed Assets | Correspondence with Director Review of company records |
| Creditors and Distributions | |
| Creditor | Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post |

Annual Progress Report of Drain Surgeons (New Malden) Limited in Creditors Voluntary Liquidation

| General Description | Includes |
|-----------------------------|--|
| Communication | |
| Dealing with proofs of debt | Receipting and filing POD when not related to a dividend |

Appendix IV

Expenses summary for period & comparison with estimate for Drain Surgeons (New Malden) Limited in Creditors' Voluntary Liquidation

Below are details of the Liquidator's expenses for the period from 29 October 2019 to 28 October 2019.

| Expenses | Original expenses estimate £ | Actual expenses incurred to date £ | Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate) |
|----------------------------|---------------------------------|---------------------------------------|--|
| Category 1 Expenses | | | |
| Statutory Advertising | 197.23 | 197.85 | |
| Specific Bond | 60.00 | 60.00 | |
| VisionBlue software costs | 185.00 | 185.00 | |
| Petitioners Costs | NIL | 902.40 | Costs incurred by petitioner were thought to have been paid at the time when estimate was issued. |
| Agents / Valuers Fee | NIL | 750.00 | It was not anticipated that agents would be used to collect book debts as the Director's assistance was considered to be sufficient. |
| Total | 442.23 | 2,095.25 | |
| Category 2 Expenses | | | |
| Storage of company records | 135.00 | 120.00 | |
| Internal meeting room | 75.00 | 75.00 | |
| Printing / postage | 10.50 | 7.14 | |
| Total | 220.50 | 202.14 | |