

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

To the Registrar of Companies

S.106

Company Number

07057046

Name of Company

AB Chemicals (Stoke) Limited

/ We

Paul Stanley, 340 Deansgate, Manchester, M3 4LY

Paul W Barber, 340 Deansgate, Manchester, M3 4LY

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 22 December 2015 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 give notice that a meeting of the creditors of the company was duly ~~held on~~/summoned for 22 December 2015 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 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

The meeting was held at 340 Deansgate, Manchester, M3 4LY

The winding up covers the period from 28 October 2013 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Signed



Date 22 December 2015

Begbies Traynor (Central) LLP
340 Deansgate
Manchester
M3 4LY

Ref AB074CVL/PS/PB/DA/RJS/STW

THURSDAY



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24/12/2015

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COMPANIES HOUSE



AB Chemicals (Stoke) Limited (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation pursuant to Section 106 of the Insolvency Act 1986 and Rule 4.126 of the Insolvency Rules 1986

Period: 28 October 2013 to 22 December 2015

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	AB Chemicals (Stoke) Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 28 October 2013
"the liquidators", "we", "our" and "us"	Paul Stanley and Paul W Barber of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	<ul style="list-style-type: none">(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and(ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

This is our final report and account of the liquidation and should be read in conjunction with the progress report to creditors dated 8 December 2014

2. COMPANY INFORMATION

Trading name(s)	AB Chemicals (Stoke) Limited
Company registered number	07057046
Company registered office	C/O Begbies Traynor, 340 Deansgate, Manchester, M3 4LY
Former trading address	Unit 3 Cockshute Industrial Estate, Cliffe Vale, Stoke-on-Trent, ST4 7DP

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	28 October 2013
Date of liquidators' appointment	Robert Michael Young- 28 October 2013 Steven John Currie- 28 October 2013 Paul Stanley- 19 May 2015 Paul W Barber- 19 May 2015
Changes in liquidator (if any)	On 19 May 2015 Paul Stanley and Paul W Barber of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY replaced, Robert Michael Young and Steven John Currie of Begbies Traynor (Central) LLP, The Old Barn, Caverswall Park, Caverswall Lane, Stoke-on-Trent, ST3 6HP

4. PROGRESS SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the period from 28 October 2013 to 22 December 2015

Receipts

Fork Lift Truck

The fork lift truck was under a hire purchase agreement with Crown Lift Trucks Limited. The fork lift truck was in negative equity and was collected by Crown Lift Trucks Limited from the Company premises. The directors' statement of affairs did not anticipate any realisations would be received and I can confirm that there have been none.

Plant & Machinery and Office Furniture & Equipment

The chattel assets of the Company were estimated to realise the sum of £2,133 in the Director's Statement of Affairs. Following liquidation, an offer was received from a third party for the sum of £5,000 plus VAT which was accepted. Payment was received in full.

Payments

Statement of Affairs Fee

The sum of £4,000 plus VAT has been received in respect of the statement of affairs fee for assisting the director with placing the Company into liquidation. The fee was agreed at £5,000, however realisations have been insufficient to pay this in full.

Office Holders Expenses

The sum of £281.09 plus VAT has been received by the Joint Liquidators in respect of out of pocket expenses incurred.

Legal Fees

The sum of £600 plus VAT has been paid to Freeths Solicitors with regard to their fees for assisting to collect the monies due in respect of the purchase of assets which had not been paid in full at the time the offer was made.

Storage Costs

The sum of £39.44 plus VAT has been paid in respect of the storage of the Company's books and records. This amount also covers future destruction of the records.

Statutory Advertising

The sum of £84.60 has been paid to Courts Advertising in respect of advertising the final meeting, this was partly funded by Begbies Traynor.

Bank Charges

Bank Charges totalling £3.65 have been paid to Handelsbanken Plc in respect of operating the liquidation bank account.

5. OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment based upon the information detailed in the director's statement of affairs and the work we have undertaken in the course of the liquidation, are as follows:

Secured creditors

Crown Lift Trucks Limited

Crown Lift Trucks Limited supplied the Company with a fork lift on a hire purchase agreement. It was understood that they were owed £6,039.

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £2,898.

Unsecured creditors

Unsecured creditors were estimated at £101,875.

On the basis of realisations, the outcome for each class of the Company's creditors is as follows:

Secured creditors

Crown Lift Trucks Limited

Crown Lift Trucks Limited have previously collected the fork lift truck in accordance with the hire purchase agreement.

Preferential creditors

As preferential creditors have previously been advised, no dividend is available for preferential creditors because the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

As detailed in our progress report for the period 28 October 2013 to 27 October 2014, we confirm that no dividend is available for unsecured creditors as the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. Consequently we have not taken steps to formally agree the claims of unsecured creditors

6 REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 28 October 2014 to 9 October 2015 amount to £9,579 which represents 48 hours at an average rate of £199.56 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Table of time spent and charge-out value for the period 28 October 2014 to 9 October 2015
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 9 October 2015, we have not drawn any remuneration against total time costs of £22,725 incurred since the date of our appointment. In addition to the time costs information disclosed at Appendix 2 for the period since our last progress report, our previous progress report contained details of the time costs we had incurred as at the date of that report. Our unbilled time costs of £22,725 have been written off as irrecoverable. However, we reserve the right to recover our unbilled time costs in the event that circumstances subsequently permit us to do so.

To 9 October 2015, we have also drawn disbursements in the sum of £281.09

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATOR'S EXPENSES

A statement of the expenses incurred since our last progress report is attached at Appendix 3

8. UNREALISABLE ASSETS

Director's Loan Account

The director's loan account shown in the directors' statement of affairs with an estimated to realise value of £4,886 and was previously pursued for repayment by the former liquidators. It was decided by the former liquidators that it was not cost effective to pursue due to the director not having funds available to pay the monies.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations completed

As explained in our 1st progress report, we have been investigating the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties


10. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on 22 December 2015 in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned to our office by 12 noon on the business day before the meeting. Please note that we will not accept receipt of completed proxy forms by email. Submission of proxy forms by email will lead to the proxy being held invalid and the vote not cast.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, David Archer in the first instance, who will be pleased to assist.



Paul Stanley
Joint Liquidator

Dated 22 December 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 28 OCTOBER 2013 to 22 DECEMBER 2015

Statement of Affairs		Receipts and Payments- 28/10/14 to 22/12/15	Receipts and Payments- 28/10/13 to 22/12/15	Total
£		£		£
	HIRE PURCHASE			
6,000 00	Fork Lift Truck	-	-	-
(6,039 00)	Crown Lift Trucks Limited	-	-	-
	ASSET REALISATIONS			
880 00	Plant & Machinery	-	3 747 00	3,747 00
1,253 00	Office Furniture & Equipment	-	1,253 00	1,253 00
4,886 00	Director's Loan Account	-	-	-
		-	5 000 00	5,000 00
	COST OF REALISATIONS			
	Statement of Affairs Fee	-	4,000 00	4,000 00
	Office Holders Expenses	274 34	281 09	281 09
	Legal Fees	-	600 00	600 00
	Storage Costs	39 44	39 44	39 44
	Statutory Advertising	84 60	84 60	84 60
	Bank Charges	1 20	3 65	3 65
		(399 58)	(5,008 78)	(5 008 78)
<u>6 980 00</u>			Funded by Begbies Traynor	<u>(8 78)</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value for the period from 28 October 2014 to 9 October 2015

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories.

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Manchester office as at the date of this report are as follows

Grade of staff	Charge-out rate (£ per hour)
	1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	2.5		3.6			0.5			6.6	2,009.00	304.39
	Administration			0.6			1.0		1.7	3.3	481.00	145.78
	Total for General Case Administration and Planning	2.5		4.2			1.5		1.7	9.9	2,490.00	251.52
Compliance with the Insolvency Act Rules and best practice	Appointment											0.00
	Banking and Bonding			0.3		0.2			0.2	0.7	138.50	195.00
	Case Closure		0.5	2.0			18.2			20.7	3,142.00	151.79
Investigations	Statutory reporting and statement of affairs	2.0	1.0	0.1			6.5		2.5	12.1	2,279.00	188.35
	Total for Compliance with the Insolvency Act Rules and best practice	2.0	1.5	2.4		0.2	24.7		2.7	33.5	5,557.50	165.90
	CDDA and investigations											0.00
Realisation of assets	Total for investigations											0.00
	Debt collection	2.0								2.0	790.00	395.00
	Property business and asset sales			0.9						0.9	238.50	265.00
Trading	Retention of Title/Third party assets											0.00
	Total for Realisation of assets	2.0		0.9						2.9	1,028.50	354.66
	Trading											0.00
Dealing with all creditors claims (including employees) correspondence and distributions	Total for Trading											0.00
	Secured											0.00
	Others	1.0		0.2						1.2	448.00	373.33
Other matters which includes meetings tax litigation pensions and travel	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions	1.0		0.2						1.2	448.00	373.33
	Meetings											0.00
Total for Other matters	Other											0.00
	Tax								0.5	0.5	55.00	110.00
	Litigation											0.00
Total hours by staff grade	Total for Other matters											110.00
	Total hours by staff grade	7.5	1.5	7.7		0.2	28.2		0.5	0.5	55.00	110.00
	Total time cost by staff grade	2,982.50	465.00	2,040.50		35.00	3,537.00		539.00		9,579.00	
Average hourly rate £	Average hourly rate £	395.00	310.00	265.00	0.00	175.00	135.00	0.00	110.00		0.00	199.56
	Total fees drawn to date £											

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Bond	Insolvency Risk Services	7 20	0	7 20*

* Funded by Begbies Traynor to date and there are insufficient funds to re-charge