

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

07231591

Name of Company

ABC Facilities Management Ltd

I / ~~We~~

Andrew 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 14/12/2014 to 13/12/2015

Signed



Date

9/2/16

DMC Recovery Limited
41 Greek Street
Stockport
Cheshire
SK3 8AX

Ref A001/AB/BR

SATURDAY



A08

13/02/2016
COMPANIES HOUSE

#49

ABC FACILITIES MANAGEMENT LIMITED

IN CREDITORS VOLUNTARY LIQUIDATION

ANNUAL REPORT

14 December 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

Registered name, address and number

ABC Facilities Management Limited (In Liquidation), ("the Company")

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

Trading addresses 20 Aldersgate Road, Cheadle Hulme, Cheadle, Cheshire SK8 7PJ

Registered Number 07231591

Other trading names None

Appointment details

The members' and creditors' meetings were held on 14 December 2012, when I was appointed Liquidator of the company

The company's principal activity was the provision of combined facilities support

The main causes of failure were attributed to the loss on a specific contract combined with the tenants' inability to pay the maintenance charges due to the global economic downturn

3 ASSET REALISATIONS

The Liquidator's Receipts and Payment accounts are attached at Appendix 1 for the period from 14 December 2014 to 13 December 2015 and a cumulative report for the period of my administration

Assets

According to the statement of affairs lodged in these proceedings, the assets of the company had an estimated value of £23,800, which comprised of the following -

	Statement of Affairs £	Realised £
Motor Vehicles	Nil	Nil
Cash at Bank	6,000	6,000
Debtors	17,500	12,652

- Debtors - These had a book value of £34,480, estimated to realise £17,500 To date £12,652 has been collected, which is inclusive of the £1,053 44 additional banking detailed below As reported previously investigations into the outstanding debtors have not resulted in further recoveries as the management companies overseeing the sites have changed, and some of the invoices had been duplicated The balance of the debtors have been written off as uneconomic to pursue
- Cash at Bank of £6,000 00 realised £7,053 44 The difference being in respect of the timing of debtor receipts

- Two vehicles with a shortfall to Close Motor Finance of £4,583 and Lombard of £3,419 were sold by the leasing company and their claims received in respect of the resultant shortfall admitted as unsecured creditors in the liquidation

4 INVESTIGATION

The directors' conduct report was submitted to the Department for Business Innovation and Skills in June 2013. The content of this report is confidential. Significant additional work was undertaken during the period under review in relation to directors' conduct. This has been reflected in the fees charged to date.

5 CREDITORS CLAIMS AND DIVIDEND PROSPECTS

Secured creditors

An examination of the Company's mortgage register held by the Registrar of Companies showed that the company had no charges registered.

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 (ie the money that otherwise would be available to the charge holder) should be ring fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Non-preferential unsecured creditors

The trade and expense creditors, as per the statement of affairs totalled £87,006. Of this, the amount due to HMRC (PAYE) has increased from nil in the Statement of Affairs to £80,984.15 as per the proof of debt submitted. In addition HMRC (VAT) creditor has increased from £43,500.61 to £54,717.43.

Proofs of debt have been received totalling £138,980.22.

Preferential creditors

There are no preferential creditors.

Dividends

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.

PRE APPOINTMENT COSTS

The members and creditors authorised the payment of a fee of £5,000 plus VAT for assistance with the Statement of Affairs and producing and circulating the notices for the members and creditors meetings held on 14 December 2012, this has been paid in full from realisations, with the disbursements also paid in full.

Liquidator's Remuneration

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 14 December 2012, 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
- Processing 50 employee claims and their associated queries

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

- Corresponding with debtors and attempting to collect outstanding book debts
- Disclaiming onerous leases
- Liaising with agents regarding the valuation and sale of assets
- Liaising with the company's bank regarding the closure of the account

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 14 December 2014 to 13 December 2015 total £536.67 representing 2.8 hours at an average hourly rate of £189.63, The cumulative time costs to date total £11,286.67 representing 55.53 hours at an average hourly rate of £203.25. Liquidator's fees drawn to date total £5,862.50 with the balance remaining outstanding. A summary of the time spent in the last year has been included in Appendix 2.

Liquidator's Disbursements

Liquidator's category 1 disbursements are as per the attached receipts and payments and are in the main self explanatory.

The Liquidator's category 2 disbursements for the period are £28.82 and have been paid from realisations.

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

The final meetings have been arranged for 3 May 2016, Formal notices will be sent shortly but in line with legislation, no less than 8 weeks prior to the final meetings.

Should you have any queries regarding this matter, or the contents of this report, please do not hesitate to contact me or in my absence Bev Rushforth on 0161 474 0920.



Andrew M Bland
Liquidator

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

ABC Facilities Ltd
(In Liquidation)

Liquidator's Abstract Of Receipts And Payments

RECEIPTS	Statement of Affairs (£)	From 14/12/2012 To 13/12/2014 (£)	From 14/12/2014 To 13/12/2015 (£)	Total (£)
Furniture & Equipment	300 00	0 00	0 00	0 00
Book Debts	17,500 00	12,652 00	0 00	12,652 00
Cash at Bank	6,000 00	6,000 00	0 00	6,000 00
Bank Interest Net of Tax		8 82	64 26	73 08
		18,660 82	64.26	18,725 08

PAYMENTS

Specific Bond		50 00	0 00	50 00
Preparation of S of A		5,000 00	0 00	5,000 00
Office Holders Fees		5,862 50	0 00	5,862 50
Statutory Advertising		226 00	0 00	226 00
Bank Charges		8 68	0 00	8 68
Trade & Expense Creditors	(25,540 00)	0 00	0 00	0 00
Inland Revenue	(53,464 00)	0 00	0 00	0 00
Close Asset finance	(4,583 00)	0 00	0 00	0 00
Lombard	(3,419 00)	0 00	0 00	0 00
Vat Receivable		2,217 70	0 00	2,217 70
		13,364 88	0 00	13,364 88

Net Receipts/(Payments)	5,295 94	64 26	5,360 20
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MADE UP AS FOLLOWS

Bank 1 Current	5,567 14	64 26	5,631 40
Office	(271 20)	0 00	(271 20)
	5,295 94	64 26	5,360 20



Andrew Bland
Liquidator

Rate £	Partner 350	Manager 225	Administrator 130	Cashier 100	Total Hours	Total Cost	Average per hour
Statutory		0 50	1 00		1 50	242 50	
Creditors	0 33	0 50	0 50		1 33	294 17	
Tax and VAT							
Investigation							
Planning							
Assets							
Cashier							
Total					2 83	536.67	189 64
Time Costs	14/12/2012 - 13/12/2014		52 7 hours			10,750 00	
Time Coss	14/12/2014 - 13/12/2015		2 83 hours				
			<u>55 53 hours</u>			11,286 67	Cumulative Average £203 25

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