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COMPANIES HOUSE



TO SHAREHOLDERS AND ALL KNOWN CREDITORS

MONDAY



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31/10/2016

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Your ref:

Our ref: A1426LEI/CVL 51a/NJN/SST/J

Please Contact: Naomi Jordan

Telephone Number: 0115 704 3459

Email Address: Naomi.Jordan@frpadvisory.com

Date 25 October 2016

Dear Sirs

ALLIED COMMERCIAL FACTORS LTD (IN LIQUIDATION) ("THE COMPANY")

Further to my appointment as Liquidator on 24 October 2014 I report on the progress of the liquidation for the period 24 October 2015 to 23 October 2016 ("the period") in accordance with the Insolvency Rules 1986.

I attach:

- Appendix A – Statutory Information
- Appendix B – Receipts and payments account
- Appendix C – Details of my firm's time costs and disbursements including charge out rates
- Appendix D – Statement of expenses

1. Receipts and Payments

I attach at Appendix B my receipts and payments account detailing both transactions for the period, and also since my appointment as Liquidator.

Receipts

Bank Interest Gross

The sum of £56.17 has been paid in respect of the interest earned for funds held in the ISA bank account.

Payments

DTI Cheque Fee

A charge of 2 20 has been applied to the estate in respect of the ISA costs for issuing two cheque payments from the ISA account.

Sec of State Fees

A payment of £6 74 has been paid in respect of the Secretary of State fees.

Petitioners Costs

A payment of £2,283 16 has been paid to International Pension Fund in respect of their solicitors charges and disbursements in respect of the 2nd petition only.

Corporation Tax

The corporation tax charge for the period covered in this report is £11.33, this amount has been settled in full.

Bank Charges

Payments totalling £88 00 have been applied to the Insolvency Services Account in respect of their quarterly banking charges of £22.00.

2. Work Undertaken by the Liquidator During the Period

Following investigations into how the business was conducted and the actions of the directors/shadow directors prior to my involvement. It has come to light that in the last two years prior to insolvency proceedings the director, John Ferguson, has received a total of £478,374.28 from the Company. There is no evidence of these sums being repaid to the Company

The Joint Liquidators are currently taking legal advice as to how best to proceed with recovery of the above funds.

3. Investigations

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have concerning the way in which the Company's business has been conducted. Having considered the information received I have sought to make further investigations into how the business was conducted and the actions of the director's directors prior to my involvement. These investigations have been concluded and the Joint Liquidators are seeking recovery action against the director as referred to under point two of this report.

4. Dividend to Creditors

Secured Creditors

County Asset Finance Limited hold a debenture over the Company's assets dated 22 October 2010. Following our appointment, we contacted County Asset who advised that the finance agreement had been transferred to other Companies under the control of John Ferguson.

We have also been informed that County Asset Finance Limited hold a personal guarantee from the director, John Ferguson, which is also supported by a charging order over Mr Ferguson's residential property.

Preferential Creditors

There are no known preferential creditors.

Unsecured Creditors

I have received claims totalling £2,080,334.90 from unsecured creditors who have proved their debts in these proceedings.

Pursuant to the Insolvency Rules 1986 no further dividend will be declared to preferential and unsecured creditors as no funds were realised. The funds realised were distributed, used or allocated for defraying the expenses of the administration.

5. Prescribed Part

In accordance with the Enterprise Act 2002, the prescribed part is an element of net realisations due to the floating charge holder which is made available for unsecured creditors (subject to the floating charge post-dating 15 September 2003)

In this circumstance the floating charge realisations will be fully utilised in meeting the costs of realising the assets, there will be insufficient funds to make a prescribed part distribution to unsecured creditors.

6. Liquidator's Remuneration, Disbursements and Expenses

Turning to my own costs in this matter, my remuneration as Liquidator is based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory LLP charge out rates together with a breakdown of the time costs and disbursements incurred during the period of this report and cumulatively, in accordance with Statement of Insolvency Practice 9 are attached at appendix C.

At the creditors meeting held on the 17th December 2014 creditors passed a resolution that our remuneration should be calculated on a time cost basis. A total of £5,000.00 has been drawn in respect of my remuneration.

The Liquidators' disbursements are a recharge of actual costs incurred by the Liquidators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are attached at appendix C.

I attach at appendix D a statement of expenses that have been incurred during the period.

Creditors have a right to request further information from the Liquidator and further have a right to challenge the Liquidator's remuneration and other expenses which are first disclosed in this report, under the Insolvency Rules 1986. (For ease of reference these are the expenses incurred in the reporting period as set out in Appendix D only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://creditors.frpadvisor.com/feesguide.htm> and selecting the one for liquidations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

If you have any queries about this report or the progress of the liquidation, please do not hesitate to contact Naomi Jordan of this office.

Yours faithfully



Chris Stirland
Joint Liquidator

Licensed in the United Kingdom by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

Encs.

Allied Commercial Factors Ltd

STATUTORY INFORMATION

Company Details:

Other trading names:	None
Date of incorporation:	21 September 2010
Company number:	07382287
Registered office:	c/o FRP Advisory LLP Castle Acres Everard Way Narborough Leicester LE19 1BY
Previous registered office:	3 Morston Court Kingswood Lakeside Cannock Staffordshire WS11 8JB
Business address:	3 Morston Court Kingswood Lakeside Cannock Staffordshire WS11 8JB

Liquidator Details:

Liquidators:	Paul David Allen & Christopher John Stirland
Address of Liquidators:	FRP Advisory LLP c/o FRP Advisory LLP Castle Acres Everard Way Narborough Leicester LE19 1BY
Date of appointment of Liquidators:	24 October 2014

**Allied Commercial Factors Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 24/10/2015 To 23/10/2016 £	From 24/10/2014 To 23/10/2016 £
ASSET REALISATIONS		
Book Debts	NIL	17,067.48
Cash at Bank	NIL	2,887.04
Bank Interest Gross	56.17	64.80
	<u>56.17</u>	<u>20,019.32</u>
COST OF REALISATIONS		
O.R. Remuneration	NIL	2,400.00
DTI Cheque Fees	2.20	2.20
Sec of State Fees	6.74	4,505.63
Petitioners Deposit	NIL	(1,250.00)
Petitioners Costs	2,283.16	2,283.16
Joint Liquidators' Remuneration	5,000.00	5,000.00
Legal Fees (1)	NIL	2,585.15
Corporation Tax	11.23	12.96
Bank Charges	88.00	176.00
	<u>(7,391.33)</u>	<u>(15,715.10)</u>
	<u>(7,335.16)</u>	<u>4,304.22</u>
REPRESENTED BY		
Vat Recoverable Floating		1,667.66
ISA Main A/C		2,636.56
		<u>4,304.22</u>



Allied Commercial Factors Ltd (In Liquidation)
Time charged for the period 24 October 2015 to 23 October 2016

	Appointment Takers /				Total Hours	Total Cost £	Average Hry Rate £
	Partners	Managers / Directors	Other Professional	Junior Professional & Support			
Administration and Planning	0 20	1 00	5 90	45 50	52 60	7,124 00	135 44
Creditors			0 20		0 20	59 00	295 00
Investigation			20 30	29 70	50 00	9,433 00	188 68
Statutory Compliance			2 60		2 60	617 00	237 31
Total Hours	0 20	1 00	29 00	75 20	105 40	17,233 00	163 50
Total Cost £	99 00	410 00	7,959 00	8,765 00			
Average Hry Rate £	495 00	410 00	274 45	116 56			

Disbursements for the period
24 October 2015 to 23 October 2016

Category 1	Value £
Postage	12 68
Grand Total	12 68

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates	From	1st July 2013	1st February 2015	1st May 2016
Appointment taker / Partner	365-400	425-495	450-495	450-495
Managers / Directors	270-370	320-455	340-485	340-485
Other Professional	160-225	175-275	200-295	200-295
Junior Professional & Support	70-105	100-150	125-175	125-175

ALLIED COMMERCIAL FACTORS LIMITED - IN LIQUIDATION
STATEMENT OF EXPENSES FOR THE 12 MONTH PERIOD ENDED 23 OCTOBER 2016

A	B	C	D	I	J
Expenses	Total paid to date of progress Report per and P £	Costs committed but not yet paid at reporting date £	Total Expenses incurred since appointment £	Total exps previously disclosed	Expenses for the 12 month period ended 23/10/2016
Joint Liquidators Remuneration	5,000	44,905	49,905	32,672	17,233
Joint Liquidators Disbursements	0	236	236	223	13
OR's Remuneration	2,400	0	2,400	2,400	0
Sec of State Fees	4,506	0	4,506	4,499	7
Legal Fees	2,585	0	2,585	2,585	0
Bank Charges	176	0	176	88	88
Coporation Tax	13	0	13	2	11
DTI Cheque Fee	2	0	2	0	2
Petitioners Costs	2,283	0	2,283	2,283	0
	16,965	45,141	62,106	44,752	17,354