

Section 106

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

To the Registrar of Companies

S.106

Company Number

07426903

Name of Company

Firstdrill Engineering Ltd ✓

We Julie Anne Palmer and Sally Richards of

Bebbies Traynor (Central) LLP
65 St Edmunds Church Street
Salisbury
Wiltshire
SP1 1EF

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~~ 7 October 2016 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~~ 7 October 2016 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 65 St Edmunds Church Street, Salisbury, SP1 1EF

The winding up covers the period from 15 December 2015 (opening of winding up) to the final meeting (close of winding up)

Signed


Sally Richards

Date 7 October 2016

Bebbies Traynor (Central) LLP
65 St Edmunds Church Street
Salisbury
Wiltshire
SP1 1EF

Ref FI141CVL/JAP/SR/JXC

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COMPANIES HOUSE

Firstdrill Engineering Ltd (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation

Period: 15 December 2015 to 7 October 2016

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"	Firstdrill Engineering Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 15 December 2015
"the liquidators", "we", "our" and "us"	Julie Anne Palmer and Sally Richards both of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
"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"	(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

2. COMPANY INFORMATION

Trading name	Firstdrill Engineering
Company registered number	07426903
Company registered office	65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
Former trading address	6 Dean Park Crescent, Bournemouth, Dorset, BH1 1HL

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	15 December 2015
Date of liquidators' appointment	15 December 2015
Changes in liquidator	Sally Richards replaced Simon Campbell as Joint Liquidator by way of Court Order dated 16 May 2016

4. PROGRESS SINCE APPOINTMENT

This is our final report and account of the liquidation

Attached at Appendix 1 is our abstract of receipts and payments for the period from 15 December 2015 to

7 October 2016

The Company was incorporated on 2 November 2010 to run alongside a company under common control registered in Scotland, Firstdrill Limited. The English company was set up when the prospect of a Referendum on an independent Scotland commenced. The company's business was planning and developing of oil drilling wells on/offshore anywhere in the world with smaller oil companies being its customers.

The English Company held no tangible assets and the Director has paid to wind the Company up.

The only other receipt has been bank interest of 10 pence. The receipts are in line with the statement of affairs figures at the date of liquidation.

The Statement of Affairs fee has been paid together with disbursements.

The remainder of the funds held was used to pay the final costs with regard to storage, statutory advertising and £1,196.72 towards the Liquidators' fees and £10.96 towards liquidators' expenses.

A Liquidation Committee was not formed and, accordingly, we are seeking creditors approval of the attached receipts and payments account.

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators.

On the basis of no realisations, the outcome for the Company's creditors is that No Dividend will be paid. Please accept this report as **formal Notice that No Dividend will be payable**.

6 REMUNERATION & DISBURSEMENTS

We did not request creditors to approve the basis of our post appointment remuneration given the Company's limited asset position but reserved our right to pay same should funds become available. The VAT has been reclaimed on payment of the Statement of Affairs fee and these funds will be utilised to pay the closing costs of the liquidation.

Our time costs for the period from 15 December to 7 October 2016 amount to £7,930 which represents 32.3 hours at an average rate of £245.51 per hour.

We propose that once we have paid outstanding and final storage/archive costs and final statutory advertising costs to utilise the remaining funds to pay a contribution towards the outstanding liquidators' time costs.

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

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 15 December 2015 to 7 October 2016
- ☐ Begbies Traynor (Central) LLP's charging policy

We have not drawn any category 2 disbursements during this reporting period.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' 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. LIQUIDATORS' EXPENSES

A statement of the expenses incurred since our appointment is attached at Appendix 3

8. UNREALISABLE ASSETS

There were no unrealisable assets

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.

10. CONCLUSION

This report and account of receipts and payments was laid before final meetings of the Company and the creditors held on Friday 7 October 2016 in accordance with Section 106 of the Act.

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



Sally Richards
Joint Liquidator

Dated 7 October 2016

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 15 December 2015 to 7 October 2016

S of A £		£	£
	ASSET REALISATIONS		
NIL	Book Debts	NIL	
-	Director payment	9,104	
-	Bank Interest Gross	0	
			9,105
	COST OF REALISATIONS		
-	Statement of Affairs Fee	7,500	
-	Liquidators' Fees	1,197	
-	Liquidators' Expenses	298	
-	Storage Costs	26	
-	Statutory Advertising	85	
			(9,105)
	PREFERENTIAL CREDITORS		
(1,406)	RPO re Arrears/Holiday Pay	NIL	
(267)	Employees re Arrears/Hol Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(750)	Trade Creditors	NIL	
(237)	Employees	NIL	
(8,495)	RPO	NIL	
(25,294)	Directors	NIL	
(1)	Banks/Institutions	NIL	
(14,308)	HMRC (non VAT)	NIL	
(1,571)	HMRC (VAT)	NIL	
			NIL
	DISTRIBUTIONS		
(10,000)	Ordinary Shareholders	NIL	
			NIL
(62,329)			
	REPRESENTED BY		
			NIL

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy and narrative statement of fees,
- b Table of time spent and charge-out value for the period from 15 December 2015 to 7 October 2016

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	Courts Advertising Ltd	253 80	253 80	0
Storage	Restore PLC	27 76	27 76	0 48
Insolvency Bond	Marsh Limited	40 00	40 00	0

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):

- 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.

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

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 Salisbury office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached

General case administration and planning

Time recorded under this category included

- Filing
- Dealing with general calls
- Dealing with routine correspondence and emails
- Maintaining physical case files and electronic records
- Maintaining the liquidators' bank account
- Completing case reviews and bond reviews

The majority of the above work derived no financial benefit for creditors. However, the Insolvency Profession is a highly regulated industry and we are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case

Compliance with the Insolvency Act, Rules and best practice

Time recorded under this category included

- Statutory advertising
- Undertaking statutory notifications to Companies House and the creditors
- Calculating the required bond and conducting bond reviews
- Preparing statutory reports and returns

The majority of the above work derived no financial benefit for creditors. However, the Insolvency Profession is a highly regulated industry and we are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case

All of the work in the category is required under the Insolvency Act and Rules

Investigations

Time recorded under this category included

- Reviewing the Company's bank statements and listing all connected party transactions
- Reviewing the financial statements in relation to any unlawful dividends, outstanding loan accounts and any other potential claim against the director
- Reporting on the director's conduct to the Department of Business, Innovation and Skills

This work is required as we have a statutory duty to investigate the Company's affairs and report to the Department of Business, Innovation and Skills

This work may help us recover funds on behalf of creditors as we may identify claims against the director and/or third parties. Please note that this is standard practice amongst all insolvencies

Realisation of assets

Time recorded under this category included

- Liaising with director regarding potential sale of furniture and effects on site at Bournemouth office address owned by Scottish holding company also in liquidation
- Liaising with Agents and Third Party owners of equipment

This work was required as we have a duty to maximise asset realisations on behalf of creditors but very little in way of assets to sell. Third parties collected their equipment but of course that has not realised any value

Dealing with all creditors' claims (including employees), correspondence and distributions

Time recorded under this category included

- Dealing with creditor correspondence, emails and telephone conversations
- Maintaining up to date creditor information and amending claims
- Collating and submitting employee information to the Redundancy Payments Office

This work will have no financial benefit for creditors as we are not able to distribute any funds to unsecured creditors. However, it is required to so employees receive their statutory entitlements

Other matters which includes meetings, tax, litigation, pensions and travel

Time recorded under this category included

- Seeking HMRC tax clearance
- Meetings with director

Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only

Staff Grade	Consultant/Fr rtnr	Director	Snr Mgr	Mngr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case Planning	0.6					1.0			1.6	372.00	232.50
	Administration						0.8	0.7	1.1	6.7	1,713.50	255.75
	Total for General Case Administration and Planning	0.6	0.2				1.8	0.7	1.1	8.3	2,085.50	251.27
	Appointment							0.2		0.2	22.00	110.00
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding							1.6	2.3	3.9	429.00	110.00
	Case Closure									4.5	1,552.50	345.00
	Statutory reporting and statement of affairs						1.0			4.0	1,065.00	266.25
	Total for Compliance with the Insolvency Act, Rules and best practice		3.0				1.0	1.8	2.3	12.6	3,068.50	243.53
Investigations	CDDA and investigations							3.8		5.3	935.50	176.51
	Total for Investigations							3.8		5.3	935.50	176.51
Realisation of assets	Debt collection											0.00
	Property business and asset sales									0.5	155.00	310.00
	Retention of Third/Third party assets											0.00
	Total for Realisation of assets		0.5							0.5	155.00	310.00
Trading	Trading											0.00
	Total for Trading											0.00
Dealing with all creditors claims (including employees) correspondence and distributions	Secured											0.00
	Others							0.3		2.5	792.00	316.80
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions							0.3		2.5	792.00	316.80
Other matters which includes meetings, tax litigation, pensions and travel	Meetings		1.0							1.7	551.50	324.41
	Other											0.00
	Tax							0.6		1.4	342.00	244.29
	Litigation											0.00
	Total for Other matters		1.0					0.6		3.1	893.50	288.23
	Total hours by staff grade	0.6	4.7				2.8	7.2	3.4	32.3		
	Total time cost by staff grade	237.00	1,457.00				378.00	792.00	374.00	7,930.00		
	Average hourly rate £	395.00	310.00	0.00	0.00	0.00	135.00	110.00	110.00			245.51
	Total fees drawn to date £										1,196.72	

TIME COSTS AND DISBURSEMENTS

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