

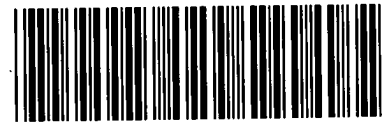
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

FRIDAY



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28/08/2020

#168

COMPANIES HOUSE

### 1 Company details

Company number 1 0 8 1 2 9 9 7

Company name in full DOST TYRES LIMITED

→ Filling in this form.  
Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) MARTIN CHARLES

Surname ARMSTRONG

### 3 Liquidator's address

Building name/number ALLEN HOUSE, 1

Street WESTMEAD ROAD

Post town SUTTON

County/Region SURREY

Postcode S M 1 4 L A

Country UNITED KINGDOM

### 4 Liquidator's name

Full forename(s)

Surname

① 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

② Other liquidator  
Use this section to tell us about  
another liquidator.

LIQ03

## Notice of progress report in voluntary winding up

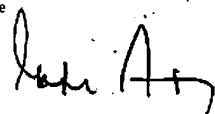
**6** Period of progress report

From date	d	0	d	3	m	0	m	7	y	2	y	0	y	1	y	9
To date	d	0	d	2	m	0	m	7	y	2	y	0	y	2	y	0

**7** Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X 

X

Signature date

d	2	d	8	m	0	m	8	y	2	y	0	y	2	y	0
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# 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.

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

## **Dost Tyres Limited – In Creditors' Voluntary Liquidation**

### **LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS**

**For the year ending 2<sup>nd</sup> July 2020**

#### **EXECUTIVE SUMMARY**

This is my report to members and creditors following the second anniversary of my appointment as Liquidator.

The detailed report is provided below, but in summary:

- The Company had been formed on 12<sup>th</sup> June 2017 and had started trading in July 2017. The Company's business was that of selling and buying tyres, specialising in importing tyres from China.
- Prior to Liquidation, the Company's accounting records were destroyed in a fire at the trading premises. In the absence of Company records, I have conducted extensive enquiries and investigations into the Company's affairs which has included correspondence with various third parties.
- During the reporting period I have realised £31,800 in respect of Company's book debts and have been investigating other potential avenues for realisations.
- I anticipate that there will be a small dividend payable to non-preferential unsecured creditors.

#### **STATUTORY INFORMATION**

Company name:	Dost Tyres Limited
Registered office:	Allen House, 1 Westmead Road, Sutton, Surrey, SM1 4LA
Former registered office:	20-22 Wenlock Road, London, N1 7GU
Registered number:	10812997
Liquidator's name:	Martin Charles Armstrong
Liquidator's address:	Allen House, 1 Westmead Road, Sutton, Surrey, SM1 4LA
Liquidator's date of appointment:	3 <sup>rd</sup> July 2018

#### **LIQUIDATOR'S ACTIONS SINCE APPOINTMENT**

Other than asset realisations and my ongoing investigations (further details of which can be found in this report) the work undertaken in the reporting period relates to work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix 1.

## **RECEIPTS AND PAYMENTS**

My Receipts & Payments Account for the period from 3<sup>rd</sup> July 2019 to 2<sup>nd</sup> July 2020 and since appointment is attached at Appendix 2.

The balance of funds is held in a non-interest bearing estate bank account.

## **ASSETS**

### Book Debts

According to the director's statement of affairs, the Company had one outstanding book debt believed to be in the sum of £100,000. This sum is not disputed by the debtor and I have taken steps to realise the debt.

Since appointment, I have recovered £93,400 in this regard (of which £31,800 was realised in the reporting period). Due to the outbreak of Covid-19 which has had a detrimental impact of the debtor's financial affairs, the debtor has been unable to settle the balance of £6,600. Discussions are being had with the debtor in respect of repayment of the balance due and matters are ongoing in this regard.

Creditors will note that I previously reported that further investigation was being undertaken to confirm the sum owing by the debtor (in light of the fact that the Company's records had been destroyed). In the reporting period, time was spent liaising with the director, the debtor, the Company's creditors, the Company's accountant, the Company's bankers and HMRC. I can confirm that I have now concluded my investigations into this matter and am satisfied that the balance owing by the debtor was in line with that disclosed to me by the debtor (i.e. £100,000).

## **LIABILITIES**

### Secured Creditors

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

The legislation requires that if the Company has created a floating charge after 15<sup>th</sup> September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise 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.

### Preferential Creditors

The Company has no preferential creditors.

### Crown Creditors

The statement of affairs did not include any monies owing to HMRC. HMRC's final claim of £491.37 has been received.

### Non-preferential unsecured Creditors

The statement of affairs included 8 non-preferential unsecured creditors with an estimated total liability of £862,915. I have received a claim from 1 creditor of £20,500. I have not received claims from 7 creditors with original estimated claims in the statement of affairs of £842,515.

The majority of the Company's creditors are based in China and, as reported previously, I have endeavoured to contact these creditors in order to obtain further information/documentation in respect of the Company and also receive their claims, however, to no avail.

### **DIVIDEND PROSPECTS**

I anticipate that there will be a small dividend payable to non-preferential unsecured creditors.

### **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

I have undertaken investigation work in respect of the following matters in the reporting period:

#### Company records

As creditors are aware, in February 2018 a fire broke out on the Company's trading premises at 20-22 Wenlock Road, London, N1 7GU. According to the director, the fire caused circa £350,000 worth of damage and destroyed all remaining stock, books and records, and computer equipment (which stored the Company's electronic records).

As previously reported, in light of the lack of Company records, I have made enquiries of the director, the debtor, the Company's creditors, the Company's accountant, the Company's bankers and HMRC, to either obtain further information on the position or, where possible, obtain copies of any Company records which may be held in duplicate or been salvaged from the scene of the fire. Whilst some information and records were forthcoming, there were no matters identified that required further investigation following a thorough review of the same. On the basis I have exhausted all other avenues to obtain further information about the Company's affairs, I have concluded that there is no benefit to creditors continuing to pursue third parties for information and have therefore concluded these lines of enquiry.

#### HMRC Liability

Whilst the statement of affairs did not include an amount owing to HMRC, and only a nominal claim has been received, my investigations into the Company's banking records did not indicate that any payments were made to HMRC. In addition, the nature of the Company's business is susceptible to Anti-Dumping Duty measures on the import of tyres.

As a result, I have been in correspondence with HMRC regarding the position and any enquiries which have been, or will be, opened in respect of the Company. HMRC have advised that they will not be investigating the position further and therefore I have concluded this line of enquiry.

## **PRE-APPOINTMENT REMUNERATION**

The creditors previously authorised the payment of a fee of £10,000 for my assistance with preparing the statement of affairs and arranging the deemed consent procedure for creditors to appoint a liquidator.

The fee for preparing the statement of affairs and arranging the deemed consent procedure for creditors to appoint a liquidator was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

## **LIQUIDATOR'S REMUNERATION**

My remuneration was approved on a mixture of a time cost basis and as a fixed fee.

I was authorised to draw a fixed fee of £45,000 for my work in respect of creditors, realisation of assets, dividends, and case specific matters.

I have drawn £45,000 to date (of which £20,000 was drawn in the reporting period) in respect of work done for which my fees were approved as a fixed fee.

I was also authorised to draw time costs for my work in respect of Investigations. This approval was based on my fees estimate of £47,272.50. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

My total time costs for such work from appointment to 2<sup>nd</sup> July 2020 amount to £31,383.14 representing 113.55 of hours work at a blended charge out rate of £276.38 per hour. My time costs for such work in the reporting period amounts to £13,257.64 representing 35.25 of hours work at a blended charge out rate of £376.10. The actual blended charge out rate incurred is higher than the estimated blended charge out rate of £193.74 in my fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate because due to the complexity of the work involved, and the requirement for more senior members of staff to assist in this assignment.

In the reporting period, I have drawn £31,383.14 in respect of work done for which my fees were approved on a time cost basis.

A schedule of my time costs incurred since appointment compared with my original fees estimate is attached as Appendix 3.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Turpin Barker Armstrong's fee policy are available at the link <https://www.turpinbainsolvency.co.uk/fees-and-links>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

## LIQUIDATOR'S EXPENSES

Details of my estimated expenses, along with those actually accrued and drawn in the reporting period and since my appointment are as detailed below:

Type	Estimated expenses	Total Incurred	Incurred in Reporting Period	Total Drawn	Drawn in Reporting Period
Statutory advertising	£231.30	£231.30	£nil	£231.30	£nil
Bordereau	£510.00	£510.00	£nil	£510.00	£nil
<b>Total</b>	<b>£741.30</b>	<b>£741.30</b>	<b>£nil</b>	<b>£741.30</b>	<b>£nil</b>

As at 3<sup>rd</sup> July 2020 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

I have not used any agents or professional advisors in the reporting period.

## 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 their receipt of this report. Any secured creditor may request the same details in the same time limit.

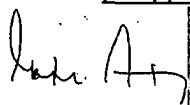
An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Turpin Barker Armstrong can be found at <https://www.turpinbainsolvency.co.uk/fees-and-links>.

## SUMMARY

The Liquidation will remain open until the balance of book debts has been realised and a distribution made to non preferential unsecured creditors. I estimate that this will take approximately 3 to 6 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Philippa Drewitt on 020 8661 7878, or by email at [philippa.drewitt@turpinba.co.uk](mailto:philippa.drewitt@turpinba.co.uk).



**Martin C Armstrong FCCA FABRP FIPA MBA FNARA**  
Liquidator



## **Appendix 1**

### **Administration**

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- Convening decision procedures and meetings of members.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties.
- Preparing, reviewing and issuing final reports to creditors and members.
- Preparing the final account.
- Filing final returns at Companies House.

### **Creditors**

- Obtaining information about creditor claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Requesting documentation and claims from overseas creditors.

**Dost Tyres Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 03/07/2019 To 02/07/2020 £	From 03/07/2018 To 02/07/2020 £
	<b>ASSET REALISATIONS</b>		
100,000.00	Book Debts	31,800.00	93,400.00
	Gross Bank Interest	NIL	1.07
	Motor Vehicles	NIL	NIL
NIL	Prepayments	NIL	NIL
	Retentions	NIL	NIL
		<u>31,800.00</u>	<u>93,401.07</u>
	<b>COST OF ADMINISTRATION</b>		
	Liquidator's Remuneration	51,383.14	76,383.14
	Preparation of S of A	NIL	10,000.00
	Specific Bond	NIL	510.00
	Statutory Advertising	NIL	231.30
		<u>(51,383.14)</u>	<u>(87,124.44)</u>
	<b>UNSECURED CREDITORS</b>		
(20,500.00)	Director	NIL	NIL
(942,415.00)	Investor Loans	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(863,015.00)</u>		<u>(19,583.14)</u>	<u>6,276.63</u>
	<b>REPRESENTED BY</b>		
	Input VAT		6,276.63
			<u>6,276.63</u>

**Note:**

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.

Time Entry - SIP9 Time & Cost Summary

ICD019 - Card Time Linked  
APR 2019 - APR 2019  
Time: 03/07/2019 to 03/07/2019

Classification of Work Function		Actual	Planned	Overhead	Overhead	Activity A	Activity B	Total Hours	Total Cost (A + B) (per unit)	Rate (C)
						Report (A)	Report (B)			
Investigation		14.10		0.00	0.00	14.10		14.10	14.10	14.10
Test Run		14.10		0.00	0.00	14.10		14.10	14.10	14.10
Total Time Estimated (Time Cost Item)								28.20	28.20	28.20

Comparative fee estimate and time summary

Classification of Work Function		Original Fee Estimate	Standard Fee	Time Cost Incurred to the period ending 03/07/2019	Standard Fee
		£	£	£	£
Investigations		41,722.50	200.19	31,383.14	242.05
Total		41,722.50	200.19	31,383.14	242.05