

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 1 6 3 9 1 7 3

Company name in full DRS Mining Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Andrew

Surname Turpin

3 Liquidator's address

Building name/number 30 St. Paul's Square

Street Birmingham

Post town West Midlands

County/Region

Postcode B 3 1 Q Z

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report :

From date	^d 2	^d 1	^m 1	^m 1	^y 2	^y 0	^y 1	^y 9
To date	^d 2	^d 0	^m 1	^m 1	^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 0	^d 3	^m 1	^m 2	^y 2	^y 0	^y 2	^y 0
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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 **Sharon Hill**

Company name **Poppleton & Appleby**

Address
30 St. Paul's Square
Birmingham

Post town
West Midlands

County/Region

Postcode **B 3 1 Q Z**

Country

DX

Telephone
0121 200 2962



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 or email 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

DRS Mining Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 21/11/2019 To 20/11/2020 £	From 21/11/2019 To 20/11/2020 £
	ASSETS NOT PLEDGED		
	Cash at Bank	205.69	205.69
Uncertain	Insurance Premium	<u>NIL</u>	<u>NIL</u>
		205.69	205.69
	COST OF REALISATIONS		
	Statutory Advertising	<u>88.00</u>	<u>88.00</u>
		(88.00)	(88.00)
	UNSECURED CREDITORS		
(140,000.00)	Director's Loan Accounts	NIL	NIL
(19,556.56)	HM Revenue & Customs - VAT	NIL	NIL
(2,370.08)	Trade & Expense Creditors	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
(162,026.64)		<u>117.69</u>	<u>117.69</u>
	REPRESENTED BY		
	Estate Bank A/c Non Interest Bearing		100.09
	VAT Input		17.60
			<u>117.69</u>



 Andrew Turpin
 Liquidator

TO ALL KNOWN MEMBERS AND CREDITORS

Our Ref: AT/GJB/SLH/JS/LG/D10E/CVLIR161500

3 December 2020

Dear Sirs

DRS Mining Limited ("the Company") – In Creditors' Voluntary Liquidation

I am pleased to provide my Annual Progress Report in the above matter. Please note that I was appointed as Liquidator of the Company on 21 November 2019 and now report following the end of the first year of my appointment.

I attach at **Appendix A** statutory information that I am obliged to provide.

Executive Summary

The Company was incorporated in October 2018, as the Director, in September 2018, had been made aware of an opportunity in acquiring the interests of Eckington Colliery. Packaged Water Limited ("PAL"), the company operating the mine at that time, was experiencing financial difficulties and was in the process of being placed into Liquidation. Accordingly, the Director incorporated the Company in order to take an informal assignment of the relevant operating leases and licences to ensure the continued trade of the mine.

However, shortly thereafter and despite the assignment of the relevant operating leases and licences, it became evident to the Director that provisions within the mining regulations, excluded anybody other than the mine owner from operating the mine. The Company, as the licensee, did not meet this requirement and, therefore, unable to secure the assignment of the mine's various leases, the Company was forced into Liquidation.

Due to the lack of assets, a dividend to any class of Creditor is unlikely.

Liquidator's Actions Since Appointment

Following my appointment, I undertook to circulate notice of my appointment to known Stakeholders. This included filing appointment documents at the Registrar of Companies, advertising details of the appointment and liaising with HM Revenue & Customs ("HMRC").

I wrote to the Company's bank and requested the closure of the account and the remittance of any credit balance or receipts since my instruction to act for the Company.



I wrote to the Director and requested the delivery up of the Company's records and undertook an investigation into the affairs of the Company in accordance with my statutory obligations.

I was made aware by the Director of two potential assets; an insurance refund and a Debtor. I have written to both parties but not yet had any response. Accordingly, I have written to the parties again in an attempt to realise the funds due.

Furthermore, I was contacted by various parties asserting that they were employees of the Company. I have assisted, where possible, their attempts to secure payments from the National Insurance Fund.

Finally, I have written to HMRC in order to apply for the de-registration of the Company for VAT purposes and I have completed post appointment VAT returns.

Receipts and Payments

I attach at **Appendix B** my Receipts and Payments Account for the period from my appointment to 20 November 2020. The balance of funds is held in a non-interest bearing estate bank account.

Assets

As there are no Secured Creditors in this matter, all assets are deemed to be free of encumbrances.

Insurance Premium

As detailed above, the Company paid an insurance premium of approximately £10,000. I have written to the insurance brokers in order to ascertain whether any repayment of the premium will be made, although I have not had a response to date.

Cash at Bank

As detailed above, following my appointment, I wrote to the Company's bank to request the closure of the bank account and the remittance of any credit balance. Accordingly, I have realised £209 in respect of the balance held. No further realisations are expected to be made.

Unsold / Unrealised Assets

As detailed above, there are two potential debtors still outstanding and work remains ongoing to attempt recovery of these.

Investigation

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the Statement of Affairs lodged in the Liquidation and made enquiries about the reasons for the changes.



There were no matters that justified further investigation in the circumstances of this appointment.

In accordance with my statutory duties I am required, within three months of my appointment, to submit a confidential report to the Secretary of State in relation to the conduct of any past or present Director. I would confirm that my report has been submitted in satisfaction of this requirement.

Costs of Liquidation

Professional Fees

No professional advisors have been engaged to provide assistance during the course of the Liquidation.

Pre-Appointment Remuneration

As Creditors will recall, at the meeting of Directors held on 1 November 2019, a fee of £5,000 plus VAT was approved by the Board for Poppleton and Appleby's assistance in the preparation of a Statement of Affairs, convening a meeting of the Company's Members and seeking a decision from the Creditors on the appointment of a Liquidator. This fee (£6,000) was drawn in full prior to my appointment. No further fees will be drawn in this respect.

Liquidator's Expenses

At a virtual meeting held on 13 February 2020, I obtained approval from the Creditors to draw Category 2 disbursements in this matter.

I have incurred expenses of £223 in the current reporting period to 4 November 2020, of which £88 has been drawn.

I have attached at **Appendix C**, further details of the expenses incurred in the matter.

As at 4 November 2020, I anticipate that the total 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. The reasons I anticipate exceeding the expenses estimate are that I have taken further records into my possession, which I had not anticipated I would.

Liquidator's Remuneration

At a virtual meeting held on 13 February 2020, my remuneration was approved on a fixed fee of £8,000 for all of my work in respect of the Liquidation. I have not been able to draw any remuneration in respect of work done for which my fees were approved as a fixed fee.

There is certain work that I am required by the insolvency legislation to undertake work 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 D**.

Please note that with effect from 6 April 2020, following a periodic review and appraisal within this Firm, Poppleton & Appleby's charge out rates have increased. The increase in charge out rates will only affect cases where fees have been approved on a time costs basis but will not affect any cap on fees (where one is in place). For further information in relation to the increase in charge out rates, Creditors can visit Poppleton & Appleby's website at www.poppletonandappleby.co.uk and by clicking on Creditors login, scrolling down to Guidance Notes and selecting Practice Fee Recovery Policy for Poppleton & Appleby and Statutory Disclosure for Liquidations and selecting "Fee Policy".



Outcome for Creditors

Fixed Charge Creditors

There are no Fixed or Floating Charge Creditors in this matter.

Outcome for Floating Charge Creditor and The Prescribed Part

Provisions within the insolvency legislation require a Liquidator to set aside a percentage of any amounts available to a Floating Charge holder, for the benefit of the Unsecured Creditors, in cases where the Company granted the Floating Charge on or after 15 September 2003. This is known as the "Prescribed Part" of the net property.

A Company's "net property" is that left after paying the Preferential Creditors, but before paying the lender who holds a Floating Charge (after deducting the associated Liquidation costs).

As there are no Floating Charge Creditors in this matter, the Prescribed Part provisions do not apply in this matter.

Preferential Creditors

No Preferential Creditors are expected in this matter.

Unsecured Creditors

The position as regards Unsecured Creditors can be summarised as follows:

Creditor	Estimated Statement of Affairs Value of Unsecured Claims (£)	Number of Claims Received to Date	Value of Unsecured Creditor Claims To Date (£)
Trade Creditors	2,370	1	2,418
Crown Departments	19,557	1	59,183
Director's Loan Accounts	140,000	1	140,000
Totals	161,927	3	201,601

I confirm that there will be no dividend declared for the Unsecured Creditors as funds realised have been allocated to pay the costs and fees of the procedure. There have been no returns to Shareholders.

Please note that a formal notice setting out the final dividend position in respect of the Liquidation is available on the website.

Conclusion

As described herein, there are a number of matters which remain ongoing at the time of this report. I will continue to progress those matters and to satisfy my statutory functions with a view to bringing the Liquidation to a close upon resolution of the same. Further information will be circulated to Creditors in due course.



I have attached at **Appendix E**, a Statement of Creditors rights in relation to these proceedings.

If Creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available online, they should contact Garry Baxendale by email at garryb@poppletonandappleby.co.uk, or by phone on 0121 200 2962.

Yours faithfully
For and on behalf of
DRS Mining Limited

Andrew Turpin
Liquidator

Encs

APPENDIX A

STATUTORY INFORMATION

Company Name:	DRS Mining Limited
Registered Office:	30 St. Paul's Square, Birmingham, West Midlands, B3 1QZ
Former Registered Office:	Eckington Mine, Rotherside Road, Eckington, Sheffield, S21 4HL
Registered Number:	11639173
Liquidator's Name:	Andrew Turpin
Liquidator's Address:	30 St. Paul's Square, Birmingham, West Midlands, B3 1QZ
Liquidator's Date of Appointment:	21 November 2019

DRS Mining Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments
To 20/11/2020

S of A £		£	£
	ASSETS NOT PLEDGED		
	Cash at Bank	205.69	
Uncertain	Insurance Premium	NIL	
			205.69
	COST OF REALISATIONS		
	Statutory Advertising	88.00	
			(88.00)
	PREFERENTIAL CREDITORS		
Uncertain	Wages/HP Employees	NIL	
			NIL
	UNSECURED CREDITORS		
(2,370.08)	Trade & Expense Creditors	NIL	
(19,556.56)	HM Revenue & Customs - VAT	NIL	
Uncertain	Employees	NIL	
Uncertain	Packaged Water Limited (in Liq.)	NIL	
(140,000.00)	Director's Loan Accounts	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	
			NIL
(162,026.64)			117.69
	REPRESENTED BY		
	VAT Input		17.60
	Estate Bank A/c Non Interest Bearing		100.09
			117.69

APPENDIX C

LIQUIDATOR'S COSTS AND EXPENSES

Disbursement	Category 1 or Category 2	Budgeted Costs (£)	Amount Incurred in Reporting Period (£)	Amount Paid in Current Reporting Period (£)	Future Costs (£)	Revised Budgeted (£)
Statutory Advertising	Category 1	162	250	88	Nil	250
Postage	Category 1	32	14	Nil	Nil	14
Bond	Category 1	45	18	Nil	Nil	18
Company search	Category 1	4	4	Nil	Nil	4
Storage	Category 1	180	25	Nil	100	280
Total		423	311	88	100	566

ROUTINE WORK UNDERTAKEN IN CREDITORS' VOLUNTARY LIQUIDATIONS

1. Administration & Planning

- Preparing the documentation and dealing with the formalities of appointment.
 - Writing a report that takes account of statutory requirements and the requirements of Statements of Insolvency Practices.
 - Preparing schedules of work done to date and work proposed and explaining them to creditors in the report.
 - Assessing the possible action that might be required to recover assets and considering the likely cost of that action.
 - Preparing minutes that comply with relevant Statements of Insolvency Practice and getting them signed by the chairman, together with a formal record of the winding up resolution and a certificate of appointment.
 - Complete internal compliance documentation following appointment.
 - In anticipation of closure and release from office review all case files.
- Statutory notifications and advertising
 - Notifying Companies House of the appointment, including providing copies of the resolution to wind up the company, the statement of affairs and the certificate of appointment.
 - Change registered office at Companies House.
 - Prepare and circulate notice of appointment to all Creditors, Shareholders and other Stakeholders to include HM Revenue & Customs.
 - Liaising with our advertising Agent(s) to ensure statutory notifications are advertised in the appropriate manner.
 - Notify the pension's regulator under current pension statute.
 - Notify the firm's insurance brokers of appointment to arrange cover where appropriate.
- Preparing documentation required.
 - Opening case folder(s).
 - Preparation of statements of insolvency practice checklists.
 - Preparation and continued review of case checklist to ensure compliance on all statutory and best practice matters.
 - Preparation, completion and review of independence and ethics checklists.
 - Completion of relevant post Liquidation VAT forms for HM Revenue & Customs.
 - Completion of relevant post Liquidation Corporation Tax Forms for HM Revenue & Customs.
- Dealing with all routine correspondence, e mails and telephone calls.
 - Includes correspondence with Creditors, Shareholders and other Stakeholders.
 - Internal correspondence between Insolvency Practitioner, managers and case administrators.
 - Deal with correspondence from Companies House.
 - Dealing with correspondence from HM Revenue & Customs.
 - Ensuring that a member of staff is generally available to deal with telephone queries.
 - Ensuring that email correspondence is dealt with within the Firm's response policy.
- Maintaining physical case files and electronic case details in our computerised systems.

- Data input of details pertaining to assets and liabilities onto bespoke software system.
- Input and management of case diary onto bespoke software system.
- Filing and scanning of electronic and written correspondence to relevant files.
- Review and storage.
 - Prepare and complete periodic case reviews, to include review on progression, ethics and independence checks.
 - Liaise with storage Agents in relation to books and records recovered from the Company.
 - Liaise with external review agencies to ensure progression and compliance of case.
 - Case bordereau reviews and maintenance.
- Case planning and administration.
 - Hold internal meetings to discuss case strategy and progression
 - Drafting case notes to ensure strategy remains appropriate.
 - Overseeing and managing work conducted by case administrators.
- Cashiering
 - Maintaining and managing the Liquidator's cashbook and bank account(s).
 - Preparation and maintenance of cashier file.
 - Open bespoke Liquidation bank account.
 - Review level of turnover on bank account.
 - Input of transactional data during the Liquidation.
 - Completion of journals where appropriate.
 - Review bank statements and complete bank reconciliations.
 - Physical banking of cheques to account.
 - Paying costs and expenses from the case account.
 - Ensuring statutory lodgements and taxation affair obligations are met.
 - Preparation of relevant VAT forms for HM Revenue & Customs.
 - Arranging cancellation of any group registration for VAT.
 - Arranging deregistration of VAT with HM Revenue & Customs when appropriate.

2. Creditors

- Dealing with Creditor correspondence, emails and telephone calls.
 - Attendance to queries within Firm policy timescales.
 - Lodging of Creditor claims.
 - Reviewing and adjudicating upon proofs of debts received from Creditors.
 - Maintaining Creditor information within our computerised systems.

3. Investigations

- Review and storage of books and records.
 - Liaise with Directors to obtain Company books and records and notify Directors of their duties and powers.
 - Review bank statements for material/suspicious transactions.
 - Analyse and reconcile transactions with Company's accounting system.
 - Review transactions with associated companies or connected persons.
 - Conduct investigations into suspicious transactions.
 - Liaise with Company's former and current accountants to obtain detailed accounting information.

- Reconcile movements from last prepared accounts to date of Liquidation.
 - Request information from Creditors, Members and Stakeholders regarding Company's affairs and accuracy of claims.
 - Consider validity of charges.
 - Enquiries of current and former officers and key employees of the Company.
 - Liaise with HM Revenue & Customs departments to reconcile transactions and accuracy of claims.
 - Make enquiries with other Crown departments (DVLA, Land Registry, Insolvency Service) as part of standard enquiries into assets and previous conduct.
 - Completion of investigation checklist in accordance with the requirements of Statements of Insolvency Practice.
- Preparing a report pursuant to the Company Directors Disqualification Act
 - Complete online report to the Insolvency Service within 3 months of appointment.
- Reviewing 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.
 - Matters that could bring rise to a summary remedy for misfeasance and misapplication of property.
 - Consider wrongful and/or fraudulent trading.
 - Consider Transactions at and Undervalue.
 - Consider Preferences.
 - Consider all other statutory remedies.

STATUTORY DISCLOSURE REQUIREMENTS

Legislative requirements state that when an Insolvency Practitioner reports to Members and Creditors, there are certain statutory statements he must make. In order to fully comply with these conditions, we have set out below the statements which apply in these proceedings in this Appendix, rather than in the report itself, with the intention of keeping the report informative for Members and Creditors who are more likely to be interested in the practical points arising in the insolvency.

The statement which forms part of this statutory report which also need to be considered along with it is as follows:-

- Please note that no funds have been held with the Insolvency Services Account at any time during the Liquidation, therefore, it has been neither possible nor necessary to reconcile this account with the Secretary of State.

Comments as Regards Liquidator's Remuneration:-

- For further information with regards to this firm's policy on fees and disbursements as well as general guidance regarding a Liquidator's fees in a Creditors' Voluntary Liquidation, you may download a Creditors' Guide to Fees on our website at www.poppletonandappleby.co.uk and choose the following options: Creditors Login, Creditors' Guidance Notes, then choose, A Creditors' Guide to a Liquidator's Fees Effective from April 2017.
- 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.
- A hard copy of these documents can be provided on request.

Provision of Services Regulations Summary for Poppleton & Appleby

- To comply with the Provision of Services Regulations, some general information about this Firm can be found on our website at www.poppletonandappleby.co.uk. To access, choose the following options: Creditors Login, Creditors' Guidance Notes, Provision of Services Regulations Summary for Poppleton & Appleby, Provision of Services.