

**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

187698

Name of Company

Longwall Roof Supports Limited

I/We

Neil Francis Hickling
Marmion House
3 Copenhagen Street
Worcester
WR1 2HBGilbert John Lemon
Marmion House
3 Copenhagen Street
Worcester
WR1 2HBthe 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 31/05/2012 to 30/05/2013

Signed



Date

25. 5. 13

Smith & Williamson LLP
Marmion House
3 Copenhagen Street
Worcester
WR1 2HB

Ref LO604/CA3

TUESDAY



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30/07/2013

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COMPANIES HOUSE

Longwall Roof Supports Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 31/05/2012 To 30/05/2013
ASSET REALISATIONS	
Third Party Monies	3,955 80
	<u>3,955 80</u>
COST OF REALISATIONS	
Specific Bond	20 00
S&W Prep of Dec of Solvency Fees	3,000 00
Irrecoverable VAT	659 30
Company Search	6 00
Statutory Advertising	270 50
	<u>(3,955 80)</u>
	<u><u>0.00</u></u>
REPRESENTED BY	
	<u><u>NIL</u></u>



Neil Francis Hickling
Joint Liquidator

LONGWALL ROOF SUPPORTS LIMITED - IN LIQUIDATION
COMPANY NUMBER: 187698

PROGRESS REPORT TO THE CONTRIBUTORIES
PURSUANT TO S92A INSOLVENCY ACT 1986
FOR THE YEAR ENDED 30 MAY 2013

**Former Trading Address & Former
Registered Office:**

Seaman Works
PO Box 12
Seaman Way
Ince
Wigan, WN1 3DD

Registered Office:

3 Copenhagen Street
Worcester
WR1 2HB

Introduction

Neil Francis Hickling a director of Smith & Williamson LLP, Marmion House, 3 Copenhagen Street, Worcester, WR1 2HB and Gilbert John Lemon of 3 Copenhagen Street were appointed as Joint Liquidators of Longwall Roof Supports Limited ("the company") at the general meeting of shareholders held on 31 May 2012

This is the progress report for the first year since the company went into members' voluntary liquidation on 31 May 2012

Company's Assets and Liabilities

The director's sworn Declaration of Solvency prepared for the General Meeting of the Company's members held on 31 May 2012 set out the estimated position regarding the company's assets and liabilities

The Declaration of Solvency did not disclose any assets or any creditors.

Since the company was placed into liquidation on 31 May 2012 the Joint Liquidators have received notification of 22 claims from former employees of the company for damages, most of the claims being for noise induced hearing loss

There is a historical insurance policy in place that provides for the insurers to pay 95% of any damages and costs arising from any successful claims against the company and another company in the group structure ("the group company") will pay the other 5%

The claims of the former employees against the company give rise to potential liabilities that could result in the company not being able to pay all its debts in full within twelve months of it going into liquidation, in which case the Joint Liquidators have a statutory duty to convene a meeting of creditors to convert the members' voluntary liquidation ("MVL") to creditors' voluntary liquidation ("CVL")

We have obtained legal advice on the effect of the claims of the former employees of the company. Our solicitors have advised that the twelve month time limit within which the company must be able to pay its debts in full applies to paying the debts, rather than ascertaining them. Therefore, if a debt materialises more than twelve months after the commencement of the liquidation and there are insufficient assets in the company to pay that debt at the point of the declaration of solvency then the company would be insolvent and the MVL should be converted into a CVL. As a result, before this decision can be made, the Joint Liquidators need to be satisfied that there is a debt arising either within that first twelve month period or subsequently that the company is liable to pay.

Whilst there are outstanding claims against the company, these claims will not necessarily materialise into debts of the company and are only likely to crystallise upon a successful application to court, or upon settlement. Once crystallisation takes place they will be debts of the company but if the insurance policy is valid these debts will be matched by an indemnity from the insurance company to the value of 95% of the liability and the remaining 5% will be met if there is an appropriate indemnity from the group company.

If, however, it becomes apparent that any liability is not matched by either of these indemnities then it is at that stage that the MVL must be converted to CVL. We are currently awaiting further information in relation to the insurance policy and any contract between the group company and the company.

Based on present information our solicitors have advised that the MVL should continue until such a time as the Joint Liquidators are certain that there is a debt owing by the company which is not matched by enforceable indemnities.

Receipts & Payments Account

The liquidation receipts and payments account detailing asset realisations for the last twelve months is attached as Appendix 1. The receipts and payments account discloses a balance of Nil as at 30 May 2013.

There have been no asset realisations during the last twelve months.

Liquidation Expenses Paid During the Year

Smith & Williamson LLP was paid £3,000 plus VAT for assisting with the preparation of the declaration of solvency and convening the meeting of members to place the company into members' voluntary liquidation.

A premium of £20 plus VAT has been paid in respect of a statutory bond.

Irrecoverable VAT of £659.30 relates to VAT paid on the costs and expenses of the liquidation.

Company search fees totalling £6.00 plus VAT have been paid.

The amount of £270.50 plus VAT has been paid for the cost of statutory advertising in the London Gazette.

The costs and expenses referred to above were paid by a third party.

Liquidation Expenses Outstanding

Legal costs of Higgs & Sons solicitors' in the amount of £360 plus VAT have been incurred during the year but not yet paid.

Joint Liquidator's Remuneration and Disbursements

Statement of Insolvency Practice 9 (SIP9) a guidance note of best practice, concerns an Insolvency Practitioner's remuneration and expenses. A time and charge out summary for the year ended 30 May 2013 in the format recommended by SIP9, is attached as Appendix 2 of this report showing that 23.10 hours has been spent at an average of £223.26 per hour totalling £5,157.25 plus VAT.

In common with all professional firms, our scale rates increase from time to time over the period of administration on each insolvency case. Full details including any increases since the date of appointment are available on application.

The applicable hourly rates for the year ended 30 May 2013 are -

Grade	Hourly Rates	
	Year ended 30/04/2013	Year ended 30/04/2014
	£	£
Partners & Associate Directors	325-375	325-375
Managers & Assistant Managers	210-275	210-275
Other senior professionals	140-165	140-165
Assistants and support staff	70-75	70-75

The time costs are recorded in minimum of units of three minutes.

Since our appointment as Joint Liquidators on 31 May 2012 we have not drawn any remuneration.

Members' attention is also drawn to Rule 4.49E of the Insolvency Rules 1986, whereby within 21 days of receipt of this progress report, a member with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company may make a request in writing to the Joint Liquidator for further information about remuneration or expenses.

Members' attention is also drawn to Rule 4.148C of the Insolvency Rules 1986, which states, inter alia, a member of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or any member with the permission of the Court, may apply to the Court for an Order that the remuneration and expenses of the Joint Liquidator are excessive or inappropriate. Any such application must be made within 8 weeks from receipt of this report and formal notice of such must be sent to the Joint Liquidator at least 14 days before the hearing.

Distribution to Members

There have been no distributions to the members.

Anticipated Outcome

The outcome of the liquidation is dependent on the position in relation to the claims from former employees of the company, referred to under the heading Company's Assets and Liabilities.

If a debt arises that the company is liable to pay then the company would be insolvent and the Joint Liquidators would have to convene a meeting to convert the MVL to CVL.



Neil Francis Hickling
Joint Liquidator

29 July 2013

Longwall Roof Supports Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 30/05/2013

Appendix 1

Dec of Sol £	£	£
ASSET REALISATIONS		
Third Party Monies	3,955 80	3,955 80
COST OF REALISATIONS		
Specific Bond	20 00	
S&W Prep of Dec of Solvency Fees	3,000 00	
Irrecoverable VAT	659 30	
Company Search	6 00	
Statutory Advertising	270 50	
		(3,955 80)
		<u>0.00</u>
REPRESENTED BY		<u>NIL</u>

APPENDIX 2**Longwall Roof Supports Limited (in members voluntary liquidation)****TIME AND CHARGE-OUT SUMMARY AS AT 30 MAY 2013**

Classification of work function	Hours					Time Cost £	Average Hourly Rate
	Partners & Associate Directors	Managers & Assistant Managers	Other Professionals	Support Staff	Total Hours		
Administration and Planning	4 10	3 75	1 05	5 25	14 15	2,964 75	209 52
Creditors	0 00	8 70	0 00	0 25	8 95	2,192 50	244 97
Total Hours	4 10	12 45	1 05	5 50	23 10	5,157 25	223 26
Total Fees Claimed £	1,507 50	3,112 50	152 25	385 00		5,157 25	