

The Insolvency Act 1986

Liquidator's Progress
Report**S.192**Pursuant to Section 192 of the
Insolvency Act 1986

To the Registrar of Companies

For Official Use

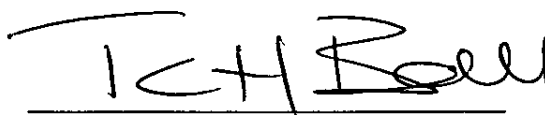
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Company Number

00381971

Name of Company(a) Insert full name of
company James Bros (Hamworthy) Limited(b) Insert full name(s) and
address(es) I, Timothy Colin Hamilton Ballof Mazars LLP
Clifton Down House
Beaufort Buildings
Clifton
Bristol
BS8 4ANThe Liquidator of the company attach a copy of my progress report under section 192 of the
Insolvency Act 1986, covering the period from 2 November 2012 to 1 November 2013

Signed



Date 13 December 2013

Presenter's name,
address and reference (if any)96092
James Bros (Hamworthy) Limited
Timothy Colin Hamilton Ball
Mazars LLP
Clifton Down House
Beaufort Buildings
Clifton
Bristol
BS8 4AN

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Insolvency Section

Post Room

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COMPANIES HOUSE

JAMES BROS. (HAMWORTHY) LIMITED - IN LIQUIDATION

Progress Report to Creditors & Members

This is the Liquidator's second annual progress report to all known creditors and members, covering the period from 2 November 2012 to 1 November 2013

1. Statutory information

- 1 1 I was appointed Liquidator of the company on 2 November 2011, following the filing of form 2 34B – Notice of move from Administration to Creditors' Voluntary Liquidation, at Companies House
- 1 2 I am authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
- 1 3 My address and the registered office of the company is Clifton Down House, Beaufort Buildings, Clifton Down, Clifton, Bristol, BS8 4AN The company's registered number is 00381971
- 1 4 The company formerly traded from Stanley House, 3 Fleets Lane, Poole, Dorset, BH15 3AJ

2. Details of progress

Book debts

- 2 1 As creditors will recall, Leslie Keats ("LK") were engaged to assist with the recovery of book debts and the negotiation and settlement of contract accounts during the Administration of the company, and were subsequently retained by the Liquidator
- 2 2 At the date of Administration, LK considered that the company had an outstanding debtors' ledger in the sum of £639,864, and originally estimated that the sum of between approximately £208,000 and £382,000 would be recoverable in this regard
- 2 3 To date, the sum of £63,844 has been recovered during the liquidation. In addition to this, the sum of £237,564 had previously already been recovered during the Administration. At the anniversary date, therefore, total debtor receipts are £301,408
- 2 4 I would advise that my final report issued during the prior Administration of the company indicated that book debt collections totalled £232,491. Some book debt collections had incorrectly been recorded as sales of stock and as a sundry receipt. I enclose an amended version of the final account of receipts and payments made during the Administration at *Appendix D*, for creditors' reference
- 2 5 I would confirm that LK have recently advised me that the process of settling contract accounts and the recovery of debts process has now been completed
- 2 6 I would also confirm that there are no further assets of the company to be realised

3. Connected Party Transactions

- 3 1 As detailed in my previous report, a settlement of £20,000 was agreed with a connected party in respect of a claim made arising from a preference payment made by the company in the sum of £100,000

4. Receipts and payments Account

- 4 1 A summary of my receipts and payments covering the period from 2 November 2012 to 1 November 2013, together with cumulative totals in respect of all receipts and payments in the liquidation to date, is attached at *Appendix A*

5. Liabilities

5 1 *Secured Creditors*

The Company's bankers, National Westminster Bank plc ("NatWest" or "the Bank") provided the Company with an overdraft facility in the sum of £75,000. NatWest has the benefit of a legal debenture, created on 7 November 2007 and registered on 17 November 2007, conveying fixed and floating charges over the Company's assets. It is also understood that the Bank has the further benefit of a personal guarantee from Mr S Dyke, in the sum of £87,000.

At the date of my appointment, it is understood that the Company's bank account was overdrawn by approximately £62,700. It is further understood that Mr Dyke has been making payments to the Bank in respect of his personal guarantee.

The Bank's claim in this matter is to be fully reviewed and agreed in due course, although it is currently anticipated that there will be funds available to enable a dividend to be paid to the Bank although the exact timing and quantum remains uncertain.

5 2 *Preferential Creditors*

I would confirm that all preferential claims have been paid in full, and there are no remaining preferential creditors in this matter.

As previously reported, the agreed residual preferential claims of the company's former employees, and the subrogated preferential claim of the RPS, totalled £57,607. A dividend of 100p in the £ was paid to this class of creditor on 30 June 2011 (during the prior Administration).

An additional preferential claim was subsequently identified in respect of the company's pension scheme with AEGON, totalling £457. In line with the preferential dividend previously declared, a dividend of 100 p in the £ was paid to AEGON on 16 March 2012.

5 3 *Unsecured Creditors*

The Company's unsecured creditors are estimated to total approximately £1,576,607 in the directors' Statement of Affairs.

Please note that the claims of the Company's unsecured creditors have not yet been reviewed or agreed. Accordingly, these estimated claims are subject to change.

6. Prescribed Part

- 6.1 In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 6.2 In this instance, I anticipate that the Company's secured creditor will receive a dividend under the terms of its floating charge and a prescribed part will apply.

7. Remuneration

- 7.1 As creditors will recall, the basis of my remuneration as Administrator was fixed on a time cost basis at a meeting of the company's creditors held on 26 January 2011. I would confirm, therefore, that this fee basis applies in the liquidation.
- 7.2 In accordance with Statement of Insolvency Practice 9, a summary of time spent during the period from 2 November 2012 to 1 November 2013 is attached at *Appendix B*.
- 7.3 To the anniversary date, a total of 190.5 hours have been spent dealing with the administration of this case at a total cost of £33,609, resulting in an average hourly rate of £176. The sum of £31,900 has been paid in this regard.
- 7.4 Details of the charge out rates of the team members employed on the assignment during the period covered by this report are attached at *Appendix C*.
- 7.5 Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 7.6 My disbursements total £277, which have been reimbursed to my firm in full. Details of the disbursements which have been incurred are, as follows -

	£
Photocopying	9
Postage	75
Storage of company records	193
	<u>£277</u>

- 7.7 I would advise you that pursuant to Rule 4.49E of the Insolvency Rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Liquidator for further information about the remuneration and expenses set out in this progress report.

7 8 Additionally, pursuant to Rule 4 131 of the Insolvency Rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds

- the remuneration charged by the Liquidator, or
- the basis fixed for the Liquidator's remuneration, or
- expenses incurred by the Liquidator

is or are in all of the circumstances, excessive or inappropriate

7 9 In accordance with SIP 9, a guide entitled "A creditors' guide to Liquidators' fees" is available to download from www.icaew.com/en/technical/insolvency/creditors-guides or, alternatively, will be provided free of charge upon written request to this office

8. Professional advisors

8 1 The professional advisors used on this assignment are as follows

Name	Nature of Work	Basis of fee Arrangement
Leslie Keats	Negotiation and settlement of contract accounts and recovery of outstanding book debts	Tiered percentage of recoveries - £6,555 paid in liquidation
Clarke Willmott LLP	Advice and assistance regarding surrender of lease to Stanley House premises	Time cost - £3,740 paid
	Advice and assistance re claims against third party and subsequent settlement	
Insol Employee Solutions Limited	Assistance re pension schemes and calculation of additional preferential claim	Fixed Fee - £465 paid

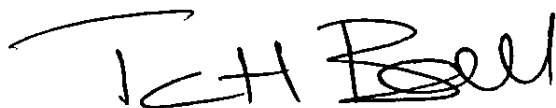
8 2 The Liquidator's choice was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them

8 3 The Liquidator has reviewed the fees incurred to date and is satisfied that they are reasonable in the circumstances of the case

9. Investigations

- 9.1 The Liquidator has reviewed the affairs of the company prior to the liquidation in discharging his duties under the Company Directors' Disqualification Act 1986, Statement of Insolvency Practice 2 and the Insolvency Act 1986
- 9.2 Creditors are reminded that the Liquidator has a statutory obligation to consider the directors' conduct and to submit a return / report to the Department for Business Innovation & Skills' Disqualification Unit. The Liquidator can confirm that this obligation has been complied with

This concludes my first annual progress report. Should you have any queries, or require any further information, please contact my colleague, Matthew Barnes



T C H Ball
Liquidator
James Bros (Hamworthy) Limited – In Liquidation

Dated 13 December 2013

T C H Ball is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales

James Bros. (Hamworthy) Limited – In Liquidation
**Liquidator's summarised Receipts & Payments Account
for the period from 2 November 2012 to 1 November 2013**

	Estimated to realise as per Joint Administrators' final report £	Receipts / Payments	
		Year from 2 Nov 2012 to 1 Nov 2013 £	Total 2 Nov 2011 to 1 Nov 2013 £
RECEIPTS			
Funds received from Administrator	42,345	-	42,345
Administration VAT recovered by Liquidator	1,568	-	1,568
Book Debts	83,500	25,125	63,844
Settlement re claim against connected party	20,000	-	20,000
Bank interest	-	188	341
	<u>147,413</u>	<u>25,313</u>	<u>128,098</u>
PAYMENTS			
Additional preferential dividend 100p in £ (16/03/2012)		-	457
Liquidator's fees		8,600	31,900
Liquidator's disbursements		83	277
Joint Administrators' final fees		-	1,894
Porterage fees re Stanley House premises		-	263
Agents' fees re pension scheme		-	465
Legal fees		-	3,740
Agents' fees re book debt collection		3,140	6,555
Corporation tax		38	92
Statutory Advertising		-	70
Insurance of assets		-	80
VAT receivable		-	540
		<u>11,861</u>	<u>46,333</u>
BALANCE OF FUNDS			
(funds held on a non-interest bearing account)			81,765

James Bros. (Hamworthy) Limited – In Liquidation
Liquidator's time costs for the period 2 November 2012 to 1 November 2013

The Liquidator's time costs to date are further analysed below, for the benefit of creditors, by reference to the grade of staff involved with the case and the tasks on which they have been engaged -

Grade of staff	Hours			Total hours per activity	Total time costs per activity £	Average hourly rate per activity £
	Partner	Senior Manager/ Manager	Administrators and other support staff			
Classification of work function						
Administration & planning	-	-	0.7	0.7	74	105
VAT and taxation matters	1.2	1.3	3.5	6.0	1,170	195
Securing and realising assets (including debtors, etc)	2.0	2.5	8.7	13.2	2,570	195
Correspondence with creditors	1.4	0.7	0.7	2.8	846	302
Reporting to creditors	-	1.6	7.2	8.8	1,254	142
Cashiering and distributions	1.2	3.5	7.4	12.1	2,331	193
Statutory reporting & compliance	0.3	2.0	2.4	4.7	999	213
Total hours per grade of staff	6.1	11.6	30.6	48.3		
Total time costs per grade of staff (£)	2,382	3,642	3,220		9,244	
Average hourly rate (£)	390	314	105			191

James Bros (Hamworthy) Limited – In Liquidation**Guidance for creditors on charge out rates and allocated disbursements*****Charge out rates***

The following grades of personnel have worked, and continue to work, on this case. Their current charge out rates are set out below.

Grade of staff	Current charge out rate per hour, effective from 1 September 2013	Previous charge out rate per hour, effective from 1 September 2012
Partner	395	390
Director	355	345
Senior Manager	325	315
Senior Administrator	195	190
Administrator	75 – 125	72 – 105
Cashier	85 – 125	80 – 120
Secretary	40 – 82	80
Tax Manager	145	135

In common with other professional firms, our charge out rates increase from time to time over the period of administration of a case.

Allocated disbursements

Details of the bases for charging allocated disbursements previously approved by the Creditors, are set out below.

- Meeting room charge for statutory meetings, charged at £60 per meeting summoned (members' and creditors' meetings on the same day treated as one meeting)
- Document storage – £3 50 per box per annum, based on the cost charged by the storage company for storage of boxes and files of records and allocated on the basis of the number of boxes per case and a one-off cost of £2 60 per box for the acquisition of the storage boxes. Secure disposal is charged at £1 70 per box.
- Facsimiles are charged at £1 per page and photocopying is charged at a cost of 5p per page.
- Business rate mileage, at a cost of between 45p and 80p per mile in relation to the running costs of different classes of vehicle.
- Electronic verification of individual's identity for money laundering purposes, charged at £2 50 per individual or £10 00 per company (where applicable).

It should be noted that the above costs might increase from time to time. However, this would only be as a result of inflationary increases or in line with increases from my suppliers. All other disbursements are simply recovered at cost.

James Bros. (Hamworthy) Limited – Formerly in Administration now in Liquidation
**Administrators' Summarised Receipts & Payments Account (Amended)
for the period from 18 November 2010 to 2 November 2011**

	Estimated to realise per directors' Statement of Affairs £	Total received/ paid 18 Nov 2010 to 2 November 2011 £
RECEIPTS		
Book Debts	216,850	237,564
Plant and machinery subject to finance	16,384	66,616
Plant and machinery and office furniture/ equipment	17,850	23,927
Motor vehicles	17,000	22,050
Stock	1,000	380
Petty cash	-	2,354
Cash in hands of third party	673	673
Business Rates refund	1,800	1,790
Bank interest gross	-	205
Cash at Bank	-	3,238
Tax refund	521	-
Directors' loan account	1,699	-
Rent deposit	5,081	-
	<u>278,858</u>	<u>358,797</u>
PAYMENTS		
Transfer of funds to Liquidator		42,345
VAT to be recovered by Liquidator		1,568
Distribution of 100p in the £ to preferential creditors		52,615
PAYE & NI paid on preferential claims		4,992
Lombard re assets subject to finance		66,616
Joint Administrators' fees		86,671
Joint Administrators' disbursements		1,406
Mazars LLP's pre-Administration fees		14,132
Mazars LLP's pre-Administration disbursements		171
Agents' fees re collection of book debts		36,955
Agents' fees re employees		2,460
Agents' fees re assets		12,083
Completion of works in progress by Weldrite Structures Ltd		19,300
Legal fees		7,936
Accountancy fees re Statement of Affairs		1,750
Retained staff wages		5,370
PAYE & NIC paid on staff wages		1,231
Insurance of assets		900
Mail redirection		156
Statutory advertising		140
		<u>(358,797)</u>
BALANCE OF FUNDS		<u>NIL</u>