

WU07

Notice of progress report in a winding-up
by the court



Companies House

SATURDAY



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19/10/2019

#103

COMPANIES HOUSE

1 **Company details**

Company number	01082373	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	CROMWELL PLASTICS LIMITED	

2 **Liquidator's name**

Full forename(s)	PHILIP STEPHEN	
Surname	WALLACE	

3 **Liquidator's address**

Building name/number	284	
Street	CLIFTON DRIVE SOUTH	
Post town	LYTHAM ST. ANNES	
County/Region	LANCASHIRE	
Postcode	FY8 1LH	
Country		

4 **Liquidator's name ***

Full forename(s)		① Other Liquidator. Use this section to tell us about another liquidator.
Surname		

5 **Liquidator's address ***

Building name/number		② Other Liquidator. Use this section to tell us about another liquidator.
Street		
Post town		
County/Region		
Postcode		
Country		

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Period of progress report

From date

31/08/2018

To date

30/08/2019

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

x *Philip Welliver* .






x

Signature date

17/10/2019

WU07

Notice of progress report in a winding-up by the court

 Presenter information	 Important information
<p>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.</p>	<p>All information on this form will appear on the public record</p>
<p>Contact name PHILIP STEPHEN WALLACE</p>	 Where to send
<p>Company name P S WALLACE & CO</p>	<p>You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:</p>
<p>Address</p>	<p>The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, DF14 3UZ. DX 33050 Cardiff.</p>
<p>284 CLIFTON DRIVE SOUTH</p>	
<p>Post town LYTHAM ST. ANNES</p>	
<p>County/Region LANCASHIRE</p>	
<p>Postcode FY8 1LH</p>	
<p>Country UK</p>	
<p>DX</p>	
<p>Telephone 01253 782792</p>	
 Checklist	
<p>We may return forms completed incorrectly or with information missing.</p>	 Further information
<p>Please make sure you have remembered the following:</p> <ul style="list-style-type: none"><input type="checkbox"/> The company name and number match the information held on the public Register.<input type="checkbox"/> You have provided the new registered office address in section 2.<input type="checkbox"/> You have signed the form.	<p>For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk</p> <p>This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse</p>

CROMWELL PLASTICS LIMITED - IN COMPULSORY LIQUIDATION

Liquidator's Annual Progress Report to Creditors and Members for the period 31 August 2018 to 30 August 2019

STATUTORY INFORMATION

Name of Company:	CROMWELL PLASTICS LIMITED
Registered Office:	284 Clifton Drive South, Lytham St Annes, Lancashire, FY8 1LH
Former Registered Office:	Suite 174 Edgar Buildings, 3 George Street, Bath, BA1 2EH
Registered Number:	01082373
Court Name and Number:	COUNTY COURT AT BRISTOL NO. 161 OF 2018
Liquidator's Name:	Philip Stephen Wallace
Liquidator's Address:	P S Wallace & Co, 284 Clifton Drive South Lytham St Annes, Lancashire FY8 1LH
Contact Telephone Number:	01253 782792
Date of Winding-up Order:	2nd May 2018
Liquidator's Date of Appointment:	31st August 2018

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

The Official Receiver's Report to Creditors indicated that there were no assets available in the liquidation.

The Company had filed accounts to 31 January 2016, which showed current assets comprising stocks in the sum of £188,900, debtors of £105,058 and cash at bank and in hand of £157,593. The initial strategy was to investigate the affairs of the Company, as detailed in the investigation section below.

Statutory and non-statutory obligations have been undertaken, to include the following:-

Notice of Appointment to the Registrar of Companies and the Official Receiver
Notices of Appointment to H.M. Revenue & Customs
Statutory Advertising
Notices to Creditors
Dealing with creditors' claims
Bonding of Assets
Quarterly Bond reviews
Pension enquiries
Payment Protection Insurance (PPI) enquiries
Interest Rate Hedging (IRH) enquiries
Search Enquiries re H.M. Land Registry, Bankruptcy and Company
Due Diligence requirements
Data Protection Notices.

A number of the above tasks are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors they still have to be carried out.

Initial enquiries and investigations and general administration has been undertaken by an Insolvency Practitioner, a case administrator and supporting staff

RECEIPTS AND PAYMENTS ACCOUNT

Attached is a Receipts & Payments Account for the period from 31 August 2018 to 30 August 2019. All amounts in the Receipts & Payments Account are shown net of VAT.

Banking fees of £88 have been incurred in the period covered by this Report.

The account attached to this Report has been reconciled with that which is held by the Secretary of State in respect of the winding up.

ASSETS

There were no assets disclosed in this matter.

A questionnaire completed by the director showed £150,000 due from debtors. The debtors were subject to an Invoice Finance Agreement ("Agreement") with Bibby Financial Services Limited ("Bibby"). Bibby advised that the debtors subject to the Agreement proved to be uncollectable. Attempts have been made to obtain details of the uncollected debtors.

Payment Protection Insurance ("PPI") and Interest Rate Hedging Claims ("IRH")

Enquiries have been made to identify any potential PPI/IRH claims however these enquiries have been concluded and there is no redress due.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies showed that there is a debenture dated 24 June 2016 registered in favour of Bibby on 05 July 2016.

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "floating charge" over its assets to a lender on or after 15th September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. Any costs of the liquidation that are payable before the liquidator has reached a position to make a distribution to the floating charge holder have to be deducted from floating charge realisations before arriving at an amount for the "net property" of the company. As a result, the costs associated with realising floating charge assets, paying preferential claims in full, the general costs of winding-up and the costs of confirming the validity of the floating charge will have to be deducted before the "net property" is calculated. The prescribed part that the liquidator then has to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The full extent of the Company's assets, if any, is not yet known, therefore it is not possible to comment on whether there will be a prescribed part of the Company's net property available to unsecured creditors.

Preferential Creditors

The Official Receiver's Report to Creditors did not include any claims in respect of preferential creditors. No claims have been received from preferential creditors.

Unsecured Creditors

The Official Receiver's Report to Creditors included Unsecured Creditors with an estimated total liability of £416,370. To date claims have been received from two creditors in the total sum of £503,475.45. There may be additional claims.

DIVIDEND PROSPECTS

The payment of a dividend in this matter will be largely dependent upon the extent of realisations and the costs of realisation. It is not possible at this stage to comment any further on the prospects of a dividend as these are dependent on the outcome of ongoing investigations.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

Various papers were handed over by the Official Receiver and have been reviewed which include:-

Official Receiver's Report to Creditors
Director's Preliminary Information Questionnaire ("PIQC")
Company Searches
Creditors' Claims
Company's books and records.

An initial investigation into the Company's affairs has been undertaken. The Company traded as a manufacturer of plastic products. The initial investigation was, primarily, to establish whether there are any potential asset recoveries or conduct matters that justify further investigation. Specifically, the Company's accounting records were recovered, listed and reviewed; the copy bank statements for the period since the Company's last set of accounts were reviewed; and the information in the Company's last set of accounts was compared with information provided by the director.

The last accounts prepared on behalf of the Company and filed at Companies House were for the year ended 31 January 2016. Those accounts show assets comprising stocks in the sum of £188,900, debtors of £105,058 and cash at bank and in hand of £157,593.

A questionnaire completed by the director following commencement of the liquidation indicated that the Company had no stock. The debtors were subject to an invoice financing agreement with Bibby, as detailed above, and proved to be uncollectable.

The Company's bank account was closed prior to the presentation of the petition to wind-up the Company. At the date of closure the account had a £nil balance.

Various parties have been contacted to provide information which may assist in the investigation into the Company's affairs.

Solicitors have been instructed to consider the various matters which have arisen as a result of the investigation into the Company's financial affairs. Enquiries continue to be made of various parties.

LIQUIDATOR'S REMUNERATION

A separate notice will be sent to all known creditors of the intention to seek a decision to fix the basis of remuneration and to authorise the drawing of certain disbursements.

A copy of 'A Creditor's Guide to Liquidator's Fees' is available to be viewed online at <https://www.r3.org.uk/what-we-do/publications/professional/fees>. There are different versions of these Guidance Notes and in this case please refer to the April 2017 version.

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/>.

Time to be charged on all cases is in 5 minute units and hourly billing rates for the periods since commencement of the liquidation are as follows (plus VAT):-

	£
Insolvency Practitioners	255.00
Chartered Accountants/Solicitor	240.00
Associates	220.00
Managers	175.00
Senior Professionals	150.00
Administrators	120.00
Cashier	100.00
Assistants	90.00
Support Staff	85.00

The time expended in the administration of the winding-up for the period 31 August 2018 to 30 August 2019 totals 91.41 hours at a total value of £15,948.73, none of which have been billed. The average charge out rate is £174. A schedule of time costs incurred in the period is attached.

There is certain work that is required by the insolvency legislation to be undertaken in connection with the liquidation that provides no financial benefit for creditors. In addition to the work already detailed above, a description of the routine work undertaken is as follows:-

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 physical case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and others required on appointment as office holder, including advertising the office holder's appointment in the London Gazette.
- 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).
- Dealing with all routine correspondence and e-mails relating to the case.
- Cashiering – creating, maintaining and managing the office holder's cashbook.
- Logging of estate payments.
- 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 and filing VAT Returns or other VAT documents.
- Preparing and filing Corporation Tax Returns.
- Filing returns at Companies House.
- Pension Enquiries.
- Due Diligence requirements.
- Data Protection Notices.

Investigations:

- Recovering the books and records for the case.
- Listing the books and records recovered.
- Reviewing books and records.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors etc.
- Detailed bank analysis.
- Detailed instructions to solicitors.
- H.M. Land Registry Searches.
- Companies House Searches.
- Bankruptcy Searches.

Creditors:

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

LIQUIDATOR'S DISBURSEMENTS

Category 1 Disbursements

The following expenses have been incurred in the period. Any which are outstanding will be reimbursed when sufficient funds are available, subject to any priority payments. These are shown on the attached Receipts and Payments account as Liquidator's Expenses account. This figure includes unrecovered VAT.

Type of expense	Amount incurred in this period £	Amount incurred to date £	Amount outstanding £
H.M. Land Registry charges	3.00	3.00	3.00
Bordereau	44.00	44.00	44.00
Statutory Advertising	79.00	79.00	79.00
Professional Fees	250.00	250.00	250.00

The following agents or professional advisors have been utilised in this matter:-

Professional Advisor	Nature of work	Fee Arrangement
Clumber Consultancy Limited	Pension Scheme advisors	Fixed Fee
Clarke Mairs LLP	Legal Advice	Time Costs on informal/formal Conditional Fee Arrangement

The choice of professionals was based on the perception of their 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.

The Company operated a workplace pension scheme. Clumber Consultancy Limited were instructed to provide advice in respect of the winding-up of the scheme. The fee charged was £250 plus VAT

Clarke Mairs LLP have been instructed to advise on and assist in matters which have arisen as a result of the investigation into the Company's financial affairs. They have estimated their time costs up to issuing proceedings to be in the region of £6,000 plus VAT and disbursements. If proceedings are

required, their costs are estimated to increase to in the region of £20,000 plus VAT and disbursements. Legal costs incurred in the period amount to £2,666.40 plus VAT.

The costs incurred by Clarke Mairs LLP, and the fee charged by Clumber Consultancy Limited, have been reviewed and appear reasonable in the circumstances of this case.

Category 2 Disbursements

The following Category 2 Disbursements have been incurred in the period:-

Type of Category 2 Disbursement	Amount incurred in this period £	Amount incurred to date £	Amount outstanding £
Storage	43.20	43.20	43.20

No decision has yet been obtained in relation to Category 2 Disbursements.

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 receipt of this Report. Any secured creditor may request the same details in the same time limit.

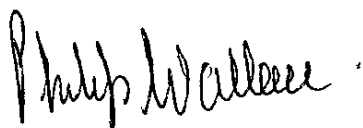
An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of 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, general information about this firm can be found in the attached summary sheet.

SUMMARY

The liquidation will remain open until such time as all enquiries and investigations are concluded and any assets realised. The liquidation will then proceed to final administration and closure.

Should you have any queries regarding this Report, or the liquidation in general, please contact Glynis McKnight at this office on 01253 782792 or by email to glynis@284cds.co.uk.



P.S. WALLACE
Liquidator

Cromwell Plastics Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 31/08/2018 To 30/08/2019 £	From 02/05/2018 To 30/08/2019 £
COST OF REALISATIONS		
Advertising	79.00	79.00
Bordereau	44.00	44.00
HM Land Registry charges	3.00	3.00
ISA Banking Fees	88.00	88.00
Official Receivers Disbursements	9,400.00	9,400.00
Petitioners Costs	2,520.00	2,520.00
Professional Fees	250.00	250.00
	<u>(12,384.00)</u>	<u>(12,384.00)</u>
	(12,384.00)	(12,384.00)
REPRESENTED BY		
Insolvency Services Account		(9,488.00)
Liquidator's Expenses account		(441.80)
Petitioning Creditor's Costs		(2,520.00)
Vat Receivable		65.80
		<u>(12,384.00)</u>

Note:

The Liquidator's Receipts & Payments Account has been reconciled with that held by the Secretary of State at the Insolvency Service.

All amounts in this Receipts & Payments Account are exclusive of VAT.

NAME OF CASE:

CROMWELL PLASTICS LIMITED

COST ANALYSIS FOR PERIOD : 31August 2018 to 30 August 2019

	Insolvency Practitioner Hours	Chartered Accountant Hours	Associate Hours	Other Snr Prof. Hours	Admin. Hours	Cashier Hours	Assistants Hours	Support Staff Hours	Total Hours	Total Costs £	Avg. Hrly. Rate £
Administration and planning											
Open	5.58	0.00	0.00	0.00	5.00	0.00	2.92	0.00	13.50	2286.25	
Planning	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	1275.00	
Statutory	1.67	0.00	0.00	0.25	4.42	0.00	1.00	0.00	7.33	1088.75	
Maintenance of Records	0.17	0.00	0.00	0.00	0.17	0.00	0.33	0.00	0.66	92.50	
General Admin	0.58	0.00	0.00	0.00	4.08	0.00	0.00	1.67	6.33	780.42	
VAT & TAX	0.08	0.00	0.00	0.75	0.00	0.00	0.50	0.00	1.33	178.75	
Review	0.92	0.00	0.00	0.00	2.25	0.00	0.00	0.00	3.17	503.75	
Cashiering	0.00	0.00	0.00	0.00	0.00	0.83	0.00	0.00	0.83	83.31	
Closing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	14.00	0.00	0.00	1.00	15.92	0.83	4.75	1.67	38.16	6288.73	165
Investigations											
Initial Investigation	5.92	0.00	0.00	0.00	4.83	0.00	0.00	0.00	10.75	2088.75	
Enquiries & Searches	0.00	0.00	0.00	0.00	0.00	0.00	1.08	0.00	1.08	97.50	
Bank Enquiries	4.00	0.00	0.00	0.00	7.08	0.00	0.00	0.00	11.08	1870.00	
Books and Records	4.25	0.00	0.00	0.00	0.17	0.00	0.00	0.00	4.42	1103.75	
Asset Disposals	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.17	42.50	
Antecedent Transactions	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08	21.25	
Enquiry Former Advisors	1.42	0.00	0.00	0.00	5.33	0.00	0.00	0.00	6.75	1001.25	
Instructing Solicitors/Notes to assist	5.08	0.00	0.00	0.00	4.58	0.00	0.00	0.00	9.67	1846.25	
	20.92	0.00	0.00	0.00	22.00	0.00	1.08	0.00	44.00	8071.25	183
Realisation of Assets											
Directors Loan Accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Book Debts	0.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.33	85.00	
Dispositions/Antecedent Trans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Vehicles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
PPI	0.67	0.00	0.00	0.00	0.83	0.00	0.17	0.00	1.67	285.00	
Policies/Pensions/Shares	0.00	0.00	0.00	0.00	0.83	0.00	0.17	0.00	1.00	115.00	
Cash at Bank	0.08	0.00	0.00	0.00	0.17	0.00	0.00	0.00	0.25	41.25	
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	1.08	0.00	0.00	0.00	1.83	0.00	0.33	0.00	3.25	526.25	162
Creditors											
Agreeing Creditors Claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
General Correspondence	2.83	0.00	0.00	0.00	1.83	0.00	1.33	0.00	6.00	1062.50	
	2.83	0.00	0.00	0.00	1.83	0.00	1.33	0.00	6.00	1062.50	177
Total hours	38.83	0.00	0.00	1.00	41.58	0.83	7.50	1.67	91.41	15948.73	
Total Costs (£)	9902.50	0.00	0.00	156.25	4990.00	83.31	675.00	141.67		15948.73	174