

**Liquidator's Progress  
Report****S. 192****Pursuant to sections 92A, 104A &  
192 of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

01286137

Name of Company

(a) Insert full  
name of company

(a) Newbar (Engineers)

Limited

(b) Insert full  
name(s) and  
address(es)

1 (b)  
Andrew Fender  
Sanderling House  
Springbrook Lane  
Earlswood  
Solihull  
West Midlands  
B94 5SG

the liquidator of the company attach a copy of my Progress Report under  
section 192 of the Insolvency Act 1986

The progress report covers to period from 6 Nov 2014 to 5 Nov 2015

Signed



Date

9/12/15

THURSDAY



A20

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17/12/2015

#288

COMPANIES HOUSE

## TO ALL KNOWN MEMBERS & CREDITORS ANNUAL REPORT

9 December 2015

Our ref af el el newbar cvl 4

Dear Sirs

### NEWBAR (ENGINEERS) LIMITED -- IN CREDITORS' VOLUNTARY LIQUIDATION

Following my appointment as Liquidator of the above named company on 6 November 2014, I set out below my first annual report in respect of the Liquidation

### STATUTORY INFORMATION

The Company, registered number 01286137, traded from premises at Units 1-3 Maypole Fields, Halesowen, West Midlands, B63 2QB. The registered office is currently 1071 Warwick Road, Acocks Green, Birmingham, B27 6QT

There have been no changes of office holder since the date of liquidation

### RECEIPTS & PAYMENTS ACCOUNT AND CASE PROGRESSION

I attach at Appendix 1, my receipt and payments account for the period covered by this report

You may recall that the Statement of Affairs of the company listed the following assets -

<i>Asset</i>	<i>Estimated Realisable Value (£)</i>	<i>Realised Value (£)</i>
Plant & Machinery	68,000	
Motor Vehicles	2,200	79,402
Office Equipment	500	
Book Debts	3,217	1,628
Cash at Bank	122,905	127,863

The company's tangible assets, comprising plant, machinery, motor vehicles and a quantity of office equipment, were valued by independent agents, Deeley Matthews, prior to my appointment as liquidator. Due to the nature of the company's business and uncertainty over insurance cover, I undertook to take out open cover insurance effective from 2 October 2014. I would advise that this insurance cover involved substantial correspondence and clarification regarding the company's assets and adhering to the requirements of the brokers.

Following my appointment I instructed the same agents to sell the assets on my behalf. An online auction was established for this purpose and all assets were sold with the total realised in excess of the estimated realisable value.

Specialists in

Corporate Turnaround

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Liquidations

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Liquidations

Compulsory Liquidations

Personal Insolvency &  
Bankruptcy

Debt Solutions

I am advised that all assets were collected from the company's trading premises on or before 5 December 2014 and an amount of rent was paid to the landlord for the period of occupation. In addition to the tangible assets, my agent and I spent time dealing with oil at the trading premises. There was new oil that did not find a purchaser and old oil that together had to be disposed of for health and safety reasons as it was not appropriate to abandon it for the landlord and potentially become liable for it.

Please note that as far as I am aware, no assets have been sold to parties connected to the Company.

With regard to the company's Book Debts, the company's accountant advised that the sum of £3,217 was realisable after reviewing the debtor records. I commenced collecting these debts upon appointment and the sum of £1,628 has been received. There are no further amounts realisable as a result of disputes, goods not supplied.

In respect of the Cash at Bank, after substantial communication with HSBC Bank the sum of £127,405 was received on 19 November 2014 and further amounts of £36.52 and £417.48 were received in November and December 2014.

Creditors will note that from the attached receipts and payments account that the sum of £10,000 has been realised in respect of a settlement regarding a preference claim. This matter was investigated following my review of the company's records and it was established that the director, Barry Newman, had reduced the amount owed to him by the company from £118,000 to £48,500 according to the accountant's computer records. I investigated the matter further and established that after taking into account payments to other creditors, the sum of £13,000 advanced to Mr Newman could be construed as making the company insolvent.

After instructing the accountant to assist in respect of the claim, and after considerable correspondence with Mr Newman negotiating the matter, it was agreed based on advice received to accept the sum of £10,000 in full and final settlement of the claim.

No other assets have come to my attention during the course of my investigations.

#### INVESTIGATION

You may be aware of my duty to conduct an investigation proportionate to the circumstances of the case. In accordance with Statement of Insolvency Practice 2, this has been done and appropriate action taken where necessary.

#### BASIS OF REMUNERATION

Creditors have authorised the Liquidator to draw remuneration by reference to the time properly given by the Liquidator and his staff in attending to matters arising in the winding up since the appointment. I attach at Appendix 2 a summary of my costs together with a note of charge out and disbursement rates. A guide to fees is available on request. The time costs amount to £69,979.00 representing 263.00 hours at an average rate of £266.08 per hour. Fees in the sum of £63,757.08 have been billed and drawn against these costs in this period.

Since my appointment, time has been expended as follows

- Compliance matters and cashiering, including but not limited to calculation and payment of the Bordereau liability and monitoring the Bordereau level, preparation and submission of statutory returns, completion of post appointment formalities
- Realisation of assets as detailed within this report, including,
  - Correspondence and communication with the Bank in respect of the Cash at Bank
  - Realisation of Book Debts including correspondence and communication with the debtors, reviewing the company records and confirming the position with the company's directors
  - Instructions to agents regarding the sale of the company's tangible assets, communication with agents and the landlord regarding clearance of the premises, disposal of oil, and disclaiming the lease, and substantial communication with insurers negotiating the extend of cover required, the premium payable and arrangement with regard to inspections and satisfaction of unoccupied code of conduct
  - Investigation and correspondence with the director and accountant in respect of preference claim, negotiation of the amount payable and acceptance of settlement
- Correspondence with creditors including
  - Receipt and agreement of claims in advance of the dividend paid to unsecured creditors including confirmation of amounts owed to HMRC and all trade creditors
  - Review of payments made by the Redundancy Payments Service and agreement and payment of balancing claims to employees
  - Receipt of advice regarding employee entitlements in respect of their contracts of employment and correspondence rejecting this part of the claims
  - Assistance with one employee and their pension scheme administered by the company resulting in benefits being paid out and a claim for missing contributions
- Completion of duties in respect of the Company Directors Disqualification legislation and investigation of company's affairs including receipt of the company's book and records, review of all records available including bank statements and querying the findings with the company's directors

Creditors have also authorised me to draw category 2 type disbursements from the funds in hand Details of all disbursements incurred to date as below -

Nature of disbursement	Amount incurred between 06.11 14 and 05 11 15	Amount drawn between 06 11 14 and 05 11 15
<b>The Liquidator's category 1 disbursements (net)</b>		
Accountant's Fees re Advice on Settlement	2,500 00	2,500 00
Agent's Fees re Assistance with Statement of Affairs	1,500 00	1,500 00
Agent's Fees re Pension Advice	250 00	250 00
Agent's Fees & Expenses re Asset Realisation	12,542 90	12,542 90
Open Cover Insurance re Assets	343 44	343 44
Advertising	270 00	270 00
Insolv/Vision Blue – case management system	110 00	110 00

Bordereau	528 00	528 00
Postal Redirection	120 00	120 00
The Liquidator's category 2 disbursements (net)		
Stationery, printing, postage, telephone	390 00	390 00
Company search	45 00	45 00
Room Hire	350 00	350 00
Storage	200 00	200 00

#### CREDITORS' CLAIMS AND DIVIDENDS

You will recall that the company's Statement of Affairs listed estimated preferential employee claims of £3,476 in respect of outstanding holiday pay and estimated unsecured employee claims of £269,575

The company's Statement of Affairs also listed other estimated unsecured creditor claims totalling £146,178 from 29 creditors including HMRC claims totalling £51,964 and an outstanding director's loan account of £48,500

On 22 July 2015, I paid a first and final dividend of 100p in the pound to the National Insurance Fund in respect of the preferential claims for outstanding holiday pay. On 27 July 2015, I advertised my intention to declare a first interim dividend to unsecured creditors within two months of 21 August 2015

After reviewing the claims submitted by creditors and conducting correspondence with creditors where I had queries with their claims, I admitted claims totalling £389,001 87 from 25 unsecured creditors

On 6 October 2015, I declared a first interim dividend of 15p in the pound to unsecured creditors and as reflected in the attached receipts and payments account the total dividend paid to unsecured creditors was £58,350 30.

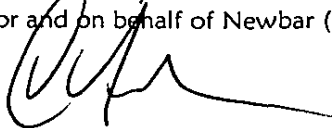
As part of the process of reviewing and admitting creditor claims I rejected substantial claims from a number of employees in respect of redundancy pay. The contracts of employment were silent on employee rights following redundancy and with the assistance of specialist legal advice I determined that these employees were only entitled to statutory redundancy pay, which has been paid via the Redundancy Payments Service

I understand a number of employees are taking their own legal advice and this has meant a delay in distributing a second and final dividend to unsecured creditors

In addition to this, the company had a responsibility to a former employee in respect of a pension scheme and I was required to assist in this regard. After voluminous correspondence with the employee and the scheme operators, payments commenced to the former employee and a claim was admitted in respect of contributions not paid by the company on the employee's behalf

This concludes my report, however if you should require any additional information, please contact me

Yours faithfully  
For and on behalf of Newbar (Engineers) Limited

A handwritten signature in black ink, appearing to read 'A. Fender', with a long horizontal flourish extending to the right.

Andrew Fender  
Liquidator

**Newbar (Engineers) Limited**  
**Receipts and Payments Account from 6 November 2014 to 5 November 2015**

<u>Receipts</u>	£
Cash at Bank	127,863 25
Sale of assets	73,817 00
Book Debts	1,628 66
Sale of Assets (Exports - No VAT)	5,585 00
Full & Final settlement re preference claim	10,000 00
Interest	129 56
VAT Refund	5,727 50
VAT	14,763 40
	<u>239,514.37</u>

<u>Payments</u>	
Statement of Affairs fee	6,500 00
Assistance re Statement of Affairs	1,500 00
Company Search	45 00
Storage	200 00
Room Hire	350 00
Printing, Postage, Stationery, Telephone	390 00
Liquidators Fees	63,757 08
Post Redirection Fee	120 00
Advertising	270 00
Insolv	110 00
Willis Open Cover Insurance Premium	343 44
Agents Fees/Expenses	12,542 90
Bordereau	528 00
Rent	3,616 44
Dividend of 100p in the £ to preferential creditors	1,329 49
Agent's Fee re Pension	250 00
First Interim Dividend of 15p in the £ to 25 unsec	58,350 30
Accountancy Fees	2,500 00
VAT Payment	4,523 62
VAT	17,611 00
	<u>174,837.27</u>
<u>Closing Balance</u>	<u>64,677.10</u>

Funds Held in Interest Bearing Account

## Time &amp; Chargeout Summaries

## Newbar (Engineers) Limited

To 5 November 2015

Classification Of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	0 20	7 70	6 60	14 90	29 40	6,315 00	214 80
Investigations	6 50	0 00	8 60	2 40	17 50	5,366 50	306 66
Asset Realisation	9 20	47 90	18 00	16 70	91 80	24,837 00	270 56
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	14 30	8 90	41 30	21 20	85 70	23 029 50	268 72
Pension Scheme	5 00	3 60	22 00	8 00	38 60	10,431 00	270 23
Total Fees Claimed £	13 904 00	19,408 50	27,502 50	9,164 00		69,979 00	
Total Hours	35 20	68 10	96 50	63 20	263 00		
Average Rate	395 00	285 00	285 00	145 00			266 08



## Fees

The fees of the Trustee/Liquidator/Supervisor/Administrator (appointed IP) are fixed by reference to time properly spent by the appointed IP and his staff in attending to all matters arising in the Bankruptcy/Liquidation/Voluntary Arrangement/Administration (case) unless otherwise agreed with the creditors. The appointed IP and his staff charge time to all insolvency cases in units of 6 minutes. The Trustee/Liquidator/Supervisor/Administrator reserves the right to charge interest at a rate of 2% above bank base rate on unrecovered work in progress.

The charge-out rates for the various categories of staff are as follows  
(There is to be no charge out rate increase from 1 February 2012)

	Charge Out Rate per Hour £
Appointed Partner (Trustee, Supervisor, Liquidator, Administrator, Administrative Receiver)	395
Partner/Senior Manager	285
Manager	215
Case Administrator	145
Support staff (only to be chargeable for periods of 1 hour or more)	105
Junior	40

## Standard Activity

## Examples of Work

Statutory Compliance, administration & planning	Statutory reporting and compliance, compliance with other regulatory requirements case planning administrative set up, appointment notification, maintenance of records
Investigations	SIP 2 review CDDA reports, Investigating antecedent transactions
Realisation of assets	Identifying securing, insuring assets, Retention of title Debt collection Property, business and asset sales
Trading	Management of operations, accounting for trading on going employee issues
Creditors	Communication with creditors, Creditors' claims (including employees and other preferential creditors)

## Disbursements - Category 2 Disbursements

In dealing with the case the appointed IP will incur expenses and disbursements that are recoverable from the assets available in the case in accordance with Rules 6.224 and 4.218 respectively of the Insolvency Rules. In addition to out of pocket expenditure, the appointed IP will also recover shared or allocated costs. These may be referred to as category 2 disbursements. Where applicable, such category 2 type disbursements are calculated as follows -

Expense Type	Basis of Charge
For all official stationery, printing postage and telephone charges, including notices to creditors and contributories in respect of the first meetings of creditors and contributories	(i) for a number of creditors and Contributories not exceeding 25, £175 (ii) for every additional 10 creditors and contributories or part thereof, £40
Where any other meetings of creditors or contributories are held, for summoning and holding the meetings and for statutory circulars	(iii) for a number of creditors and Contributories not exceeding 25, £155 (iv) for every additional 10 creditors and contributories or part thereof, £20

All other expenses and disbursements are recovered as follows

Expense Type	Basis of Charge
Room Hire (for each statutory meeting of creditors)	£175.00 per meeting
Mileage	35.95p per mile
Company search costs	£45 per search
Storage of company books and records	£2.50 per box per quarter*

\* Where funds permit, a charge for storage of boxes for 12 months after closure of the case is made to cover storage costs until such time as destruction of the records is permitted. Minimum charge of £200 to cover administration.  
Should any creditor require further clarification in respect of fees or expenses, then please contact the appointed IP or case manager as identified in the correspondence concerning the case in question.

## INFORMATION

Within 21 days of receipt of this progress report a creditor may request that I provide further information about the remuneration and expenses set out in the report. A request must be in writing and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the creditors (including that creditor) or the permission of the court. You also have a right to challenge my remuneration and expenses. I am obligated to provide the requested information within 14 days unless I consider that the time or cost involved in preparing the information would be excessive, or disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or I am subject to an obligation of confidentiality in relation to the information requested, in which case I must give the reasons for not providing the information. Any creditor may apply to the court within 21 days of my refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information. As an insolvency practitioner I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

A guide to fees is available on request or at [www.icaew.com/en/technical/insolvency/creditors-guides](http://www.icaew.com/en/technical/insolvency/creditors-guides) - Updated Sept 2015