

## 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

2200315

Name of Company

(a) Insert full  
name of company

(a) CHESTERFIELD PLASTICS

Limited

(b) Insert full  
name(s) and  
address(es)I/We (b) DONNA CARTMEL  
3RD FLOOR FALCON MILL  
HANDEL STREET  
BOLTON BL 8BLthe liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

Signed



Date

18/10/2016

Presenter's name,  
address and  
reference  
(if any)

For Official Use

Liquid

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09/02/2018

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COMPANIES HOUSE

## **TO ALL KNOWN MEMBERS & CREDITORS**

Our ref: DC/LC024/003

Date: 18 October 2016

Dear Sirs

**CHESTERFIELD PLASTICS LIMITED - IN LIQUIDATION** ("the Company")

### **LIQUIDATOR'S PROGRESS REPORT FOR THE PERIOD 10 OCTOBER 2015 TO 9 OCTOBER 2016**

I have pleasure in enclosing my progress report to members and creditors, following my appointment as Liquidator on 10 October 2014, as a result of the conversion from the Administration.

#### **BACKGROUND**

Company Number: 2200315

Former Trading Address: 61 Foljambe Avenue, Chesterfield, Derbyshire S40 3EY

Registered Office: 3 The Studios, 320 Chorley Old Road, Bolton BL1 4JU

On 17 July 2012 Donna Cartmel of this office was appointed Administrator of the Company following the application for the appointment by Mr Clive Copper, the Company Director, pursuant to Paragraph 22 of Schedule B1 of the Insolvency Act 1986.

On 10 October 2014 Form 2.34B was filed at Companies House moving the Company into Creditors Voluntary Liquidation, and appointing Donna Cartmel as Liquidator.

#### **RECEIPTS AND PAYMENTS TO DATE**

Attached at Appendix 1 is the Liquidator's receipts and payment account as at 9 October 2016. All monies are held in non interest bearing accounts unless otherwise identified in the receipts and payments account.

#### **PROGRESS OF LIQUIDATION**

The only asset remaining to be realised following the administration is the recovery of the directors overdrawn loan account upon which further comment is provided below.

## **ASSETS**

### ***Overdrawn Directors Loan Account***

You will recall from the previous progress report that the director had withdrawn his appeal in relation to the decision made in respect of the amount owed on the overdrawn loan account.

At the date of the last report proposals were awaited as to how payment of the amount due would be made.

Since that time the solicitors instructed by the director issued an application to vary both the consent order in respect of the consent order payment terms and the judgment payment terms.

The application was resisted on the grounds the director in fact had substantial equity in the property at 61 Foljambe Avenue, Chesterfield, the director had failed to produce any evidence in respect of his claimed income and expenditure, and conduct generally in the case to date.

The director's application to vary the payment terms on the original order requested monthly instalment payments of £350 without any lump sum. To accept this would mean the liquidation remaining open for many years (approximately 12 years) until full repayment had been made, with the associated costs of administering the liquidation process.

Despite the objections raised to the requested payment terms, the Court granted an Order on 15 January 2016 allowing the director to make payments at the rate of £350 per month.

Representations were subsequently made to the Court providing evidence of the director's asset position, in particular in relation to the residential property, with a view to having the Order varied. In the meantime the director commenced monthly payments of £350.

A hearing on the application to vary the terms of the payment order was held on 28 April 2016.

The matter again became protracted as the director opposed the application, and a further Hearing was listed for 30 June 2016.

Following that Hearing that Court ordered that the director should pay the total sum of £62,000 in respect of the Judgment dated 4 June 2015, the Consent Order dated 1 October 2015 and the costs of the application dated 3 October 2015. The director was required to pay £15,500 by 28 July 2016, £15,500 by 27 October 2016, £15,500 by 26 January 2017 and £13,750 by 27 April 2017, having already paid £1,750.

As at the date of this report the sum of £27,002.50 has been received.

## **LIQUIDATOR'S REMUNERATION & EXPENSES**

At a meeting of creditors held on 6 September 2012 the Administrator's remuneration was fixed by reference to the time spent in managing the administration. The liquidator's remuneration will continue on the same basis. No remuneration has been drawn to date by the liquidator.

The total number of hours expended to date in this matter amount to 167.00 hours at a total cost of £46,370.00. A breakdown of time incurred in this matter is provided at Appendix 2.

The amount of time charged as at the date of my last report in the Administration amounted to 152.00 hours at a total cost of £40,370, showing time costs incurred during the period of 15.00 hours at £6,000.

Solicitors fees have also been incurred during the period of this report. Legal costs will continue to accrue as the matter progresses.

Category 1 expenses do not require approval and relate to specific items, directly related to the case, where the cost is determined by reference to independent external suppliers invoices or published tariff charges.

There are / are no Category 1 disbursements that have been incurred and not paid for.

Category 2 expenses require approval and consist of all other items of expenditure, excluding fees. No expenses in this category have been incurred in the period. Whilst approval was given to pay such expenses it would not be the liquidator's intention to charge such expenses in this matter.

The policy for re-charging disbursements is provided at Appendix 3.

Creditors can access the 'Liquidator's Guide to Fees' via the website <http://www.icaew.com/en/technical/insolvency/creditors-guides>. If you are unable to access the site please contact this office and a hard copy will be forwarded to you by post or email.

The charge out rates of the staff of Lawson Fox who are involved in the administration of this case are as follows:

	To 31.07.13	From 01.08.13
<i>Grade</i>	<i>Rate per Hour (£)</i>	<i>Rate per Hour (£)</i>
Directors & Office Holders	250 – 350	300 – 400
Senior Managers & Managers	175 – 250	250 – 300
Administrators	75 – 175	150 – 250
Support & Clerical	25 - 70	75 - 150

Time is charged to the case in units of 6 minutes.

A creditor or creditors, with at least 5% in value of the creditors or with the permission of the court, may request the liquidator to provide further information about the remuneration and expenses set out in the report. Any such request should be made within 21 days of receipt of this report, and be in writing addressed to the liquidator to the address detailed below.

If a creditor believes that the liquidator's remuneration is, in all the circumstances, excessive, the basis is inappropriate, or the expenses incurred by the liquidator are, in all the circumstances, excessive he may, provided certain conditions are met, apply to the court. Application may be made to the court by any secured creditor or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court. Any such application must be made within 8 weeks of receipt of the progress report in which the charging of the remuneration or incurring of the expenses in question is first reported.

## **DIVIDEND PROSPECTS**

It is not yet known whether a distribution will be available to creditors as this will be entirely dependent on the recoveries achieved in respect of the overdrawn directors loan account and the continuing costs associated with its recovery.

### **Secured Creditors**

There are no creditors holding security over the Company's assets.

### **Preferential Creditors**

There are no creditors with preferential claims in this case.

### **Prescribed Part**

Where a floating charge has been created after 15 September 2003 and the company is in liquidation, Section 176A (2)(a)(b) of the Insolvency Act 1986 requires that a liquidator shall set aside a 'prescribed part of the company's net property available for the satisfaction of unsecured debtors, and shall not distribute that part to the proprietor of a floating charge except in so far as it exceeds the amount required for the satisfaction of unsecured debts'. As there is no secured creditor in this case there will be no requirement to set aside a Prescribed Part of realisations.

### **Unsecured Creditors**

I have received claims totalling £275,053.36 from five creditors. I have yet to receive claims from two creditors whose debts total £14,879.80 according to the statement of affairs.

If you have not already submitted a claim in the liquidation can you please complete and return the enclosed Statement of Claim form and return it to me before 31 December 2016.

Alternatively, I should be obliged if you would inform me if you have no claim in the liquidation.

## **CONCLUSION**

Recovery of the amount due against the overdrawn directors loan account remains to be completed and is currently prohibiting the case from being formally concluded.

## **NEXT REPORT**

I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors.

Yours faithfully



**Donna Cartmel**  
Liquidator

**APPENDIX 1**

**CHESTERFIELD PLASTICS LIMITED  
IN LIQUIDATION**

**RECEIPTS AND PAYMENTS ACCOUNT**

**AS AT 9 OCTOBER 2016**

	Per Statement of Affairs	Receipts and Payments since 10.10.2015	Receipts and Payments to Date
	£	£	£
<b>RECEIPTS</b>			
Book debt		0.00	3.88
Directors loan account		27,002.50	27,002.50
Sale of rights to Baba claim		0.00	750.00
Transfer from Administrator		<u>0.00</u>	<u>1,701.77</u>
		<u>27,002.50</u>	<u>29,458.15</u>
<b>PAYMENTS</b>			
Legal fees		0.00	503.00
Administrator's fees		14,000.00	14,000.00
Statutory advertising		<u>0.00</u>	<u>75.00</u>
		<u>14,000.00</u>	<u>14,578.00</u>
Balance as at 9 October 2016			<u>14,880.15</u>
<b>Represented by:</b>			£
VAT Receivable			2,800.00
Cash at bank			<u>12,080.15</u>
Balance as at 9 October 2016			<u>14,880.15</u>

**APPENDIX 2**

**CHESTERFIELD PLASTICS LIMITED - IN LIQUIDATION**  
**LIQUIDATOR'S TIME COSTS FOR THE PERIOD**  
**10 OCTOBER 2014 TO 9 OCTOBER 2016**  
**SIP 9 TIME SUMMARY**

<b>Classification of Work</b>	<b>Partner</b>	<b>Manager</b>	<b>Other Senior Professional</b>	<b>Assistants &amp; Support Staff</b>	<b>Total Hours</b>	<b>Time Costs £</b>	<b>Avgc Hourly Rate £</b>
<b>Administration &amp; Planning</b>	2.40	0.00	0.00	0.00	2.40	715.00	297.92
<b>Investigation</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Asset Realisation</b>	31.80	0.00	0.00	0.00	31.80	12,720.00	400.00
<b>Creditors</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Case Specific Matters</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Fees £</b>	13,435.00	0.00	0.00	0.00		13,435.00	
<b>Total Hours</b>	34.20	0.00	0.00	0.00	34.20		
<b>Average Rate</b>	392.84	0.00	0.00	0.00			

**LIQUIDATOR'S TIME COSTS FOR THE PERIOD**  
**10 OCTOBER 2015 TO 9 OCTOBER 2016**

<b>Classification of Work</b>	<b>Partner</b>	<b>Manager</b>	<b>Other Senior Professional</b>	<b>Assistants &amp; Support Staff</b>	<b>Total Hours</b>	<b>Time Costs £</b>	<b>Avgc Hourly Rate £</b>
<b>Administration &amp; Planning</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Investigation</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Asset Realisation</b>	15.00	0.00	0.00	0.00	15.00	6,000.00	400.00
<b>Creditors</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Case Specific Matters</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Fees £</b>	6,000.00	0.00	0.00	0.00		6,000.00	
<b>Total Hours</b>	15.00	0.00	0.00	0.00	15.00		
<b>Average Rate</b>	400.00	0.00	0.00	0.00			



**The above headings include inter alia:**

<b>Administration &amp; Planning</b>	<b>Case planning, Appointment notification Maintenance of records, Statutory reporting, Tax and VAT</b>
<b>Realisation of Assets</b>	<b>Identifying and securing assets, debt collection, property, business and asset sales</b>
<b>Investigations</b>	<b>SIP2 review, reports pursuant to Company Directors Disqualification Act 1986, Investigating antecedent transactions</b>
<b>Creditors</b>	<b>Communications with creditors, creditor claims (including secured creditors, employees and preferential creditors)</b>
<b>Case Specific Matters</b>	<b>Agreeing prescribed part claims, advertising Distributions, making distribution of prescribed Part</b>

## APPENDIX 3

The note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Required professional practice states that such charges should be disclosed to those who are responsible for approving the office holders remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

### DEFINITIONS

Required professional practice classifies expenses into two broad categories:

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a particular insolvency case where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges;
- Category 2 expenses (approval required) – all other items of expenditure:
  - \* which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost; and/or
  - \* where the cost of the expense incurred is an estimated, unitised cost with the estimate based on external costs or opportunity cost.

### CHARGING POLICY

- Category 1 expenses (approval not required) – with the exception of any items referred to below, all such items are re-charged to the case as they are incurred.
- Category 2 expenses (approval required)
  - (a) The following items of expenditure are re-charged as describe:
    - Internal meeting room usage for the purpose of statutory meetings of creditors is re-charged at the rate of £75 per meeting; if at least one creditor is in attendance at the meeting
    - Car mileage is re-charged at the rate of 40 pence per mile
    - Storage of books and records (when not charged as a category 1 expense) is recharged at the rate of £1 per box per quarter
  - (b) The following items of expenditure will normally be treated as general office overheads not subject to a re-charge:
    - Telephone and facsimile
    - Printing and photocopying
    - Stationery

A re-charge made be made however, where the precise cost to the case can be determined because the item satisfies the test of a category 1 expense.