

Joint Liquidators' Progress Report

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

02560194

Name of Company

(a) Insert full
name of company

(a) MORGAN POLYMERS LIMITED

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

I / We (b) J M Titley and M Maloney

of Leonard Curtis, Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG

the 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 10 February 2012 to 9 February 2013

Signed



Date 8 April 2013

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

Leonard Curtis,
Hollins Mount,
Hollins Lane,
Bury,
Lancashire
BL9 8DG
Ref K/19/MFS/NM672Q/115

WEDNESDAY



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10/04/2013

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COMPANIES HOUSE



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Morgan Polymers Limited
(In Creditors' Voluntary Liquidation)**

Company Registration Number: 02560194

Former Registered Office and Trading Address: Unit 2, Century Park, Pacific Road, Altrincham WA14 5BJ

**Joint Liquidators' First Progress Report
prepared pursuant to Section 104A of the Insolvency Act 1986
(as amended) and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

8 April 2013

Leonard Curtis

Hollins Mount, Hollins Lane, Bury BL9 8DG
Tel 0161 767 1250 Fax 0161 767 1240
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Ref M672Q/MFS/1050

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TO ALL MEMBERS, CREDITORS, DIRECTORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1 1 J M Titley and M Maloney were appointed joint liquidators of Morgan Polymers Limited ("the Company") at meetings of members and creditors held on 10 February 2012
- 1 2 Mr Titley and Mr Maloney are licensed in the UK by the Institute of Chartered Accountants in England and Wales
- 1 3 There has been no change in office-holder since the date of liquidation
- 1 4 This report provides an update on the conduct of the liquidation for the period from 10 February 2012 to 9 February 2013, as required by Section 104A of the Insolvency Act 1986 (as amended) ("the Act") It contains details of the progress made, the expected outcome for creditors and other information that the joint liquidators are required to disclose
- 1 5 All figures are stated net of VAT

2 CONDUCT OF THE LIQUIDATION

- 2 1 The Company's registered office was changed to Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG on 2 February 2012

Assets Realised

Factored Debtors

- 2 2 The Company's book debts were subject to an invoice finance agreement with The Royal Bank of Scotland Commercial Services Limited ("RBSCS") As per the statement of affairs, the book debts had an estimated to realise value of £28,196, before settling RBSCS's estimated outstanding liability of £24,036
- 2 3 RBSCS collected the outstanding book debts in full and after settling their outstanding liability of £24,036, RBSCS remitted a surplus of £1,255 into the liquidation estate No book debts were reassigned back to the Company

Cash at Bank and in Hand

- 2 4 The cash at bank and in hand was anticipated to realise £3,000 as per the statement of affairs An amount of £3,016 has been received

Bank Interest

- 2 5 £6 has been received in respect of bank interest

Assets Still to be Realised

- 2 6 The following assets are still to be realised

| Description | £ |
|--|-----------------|
| Non Factored Debtors | 2,500 00 |
| Plant and Machinery, Fixtures and Fittings and Stock | 6,100 00 |
| | <u>8,600 00</u> |

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3 1 A summary of the joint liquidators' receipts and payments in the liquidation from 10 February 2012 to 9 February 2013 is attached at Appendix A

4 OUTCOME FOR CREDITORS

Secured Creditors

- 4 1 National Westminster Bank Plc ("Natwest") hold a debenture, dated 9 December 1991 and registered on 11 December 1991, creating fixed and floating charges over the assets of the Company. No claim has been received from Natwest. There are insufficient funds available to enable a distribution to be made to Natwest.
- 4 2 RBSCS hold a debenture, dated 28 November 2005 and registered on 2 December 2005, creating fixed and floating charges over the assets of the Company. As detailed above, RBSCS have been repaid in full from book debt realisations.

Preferential Creditors

- 4 3 As at the date of liquidation, there were five preferential creditors, with estimated claims totalling £5,000.
- 4 4 Claims totalling £493 have been received. There are currently insufficient funds with which to pay a preferential dividend.

Ordinary Unsecured Creditors

- 4 5 As at the date of liquidation, there were 36 unsecured creditors, with estimated claims totalling £120,147. Claims amounting to £63,810 have been received.
- 4 6 The funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. As a result, there will be no dividend to the ordinary unsecured creditors.
- 4 7 The joint liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.
- 4 8 No monies were paid to ordinary unsecured creditors by virtue of the application of Section 176(A) of the Act ("the prescribed part").

5 INVESTIGATIONS

- 5 1 Since the commencement of the liquidation, the joint liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the

Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate

5 2 That assessment did not identify any possible further realisations. In addition, the joint liquidators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider requires investigation, they should send full details to this office

5 3 Notwithstanding the above, the joint liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS AND CREDITORS' RIGHTS

Remuneration

6 1 A fee of £5,000 in respect of the preparation of the statement of affairs was approved by creditors at the meeting of creditors held on 10 February 2012. No fees have been drawn in this respect

6 2 At the same meeting, it was resolved that the joint liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation. The joint liquidators' time costs from 10 February 2012 to 9 February 2013 are £10,532, which represents 49.6 hours at an average hourly rate of £212.33. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 10 February 2012 to 9 February 2013

6 3 No fees have been drawn

Description of Significant Time Costs Incurred by Category

Statutory and Review

6 4 This involved undertaking regular reviews of the case file to ensure all matters were being progressed and statutory requirements were met

Assets

6 5 Time has been incurred by the Joint Liquidators, and their staff, in realising the assets of the Company. This included liaising with auctioneer and valuation agents, debt collection agents and corresponding with various parties in order to obtain refunds

Expenses and Disbursements

6 6 The joint liquidators have incurred expenses and Category 1 disbursements (independent third party expenses paid and reimbursed to the joint liquidators, which do not require creditors' consent) as follows

| Description | Total amount incurred to date £ | Amount incurred in this period £ | Amount reimbursed £ | Amount still to be reimbursed £ |
|--------------------|---|---|---------------------------|--|
| Accountancy Fees | 500.00 | 500.00 | 500.00 | - |
| Employment Fees | 250.00 | 250.00 | 250.00 | - |
| Software Licence | 75.00 | 75.00 | 75.00 | - |
| Agents and Valuers | 1,250.00 | 1,250.00 | - | 1,250.00 |

Morgan Polymers Limited – In Creditors' Voluntary Liquidation

| | | | | |
|--------------------------|-----------------|-----------------|-----------------|-----------------|
| Bordereau Fee | 40 00 | 40 00 | 25 00 | 15 00 |
| Storage Charges | 2 96 | 2 96 | - | 2 96 |
| Statutory Advertising | 229 50 | 229 50 | 229 50 | - |
| Companies House Searches | 1 00 | 1 00 | 1 00 | 5 00 |
| Total | 2,348 46 | 2,348 46 | 1,080 50 | 1,272 96 |

- 6 7 Creditors also approved the basis for recharging disbursements that include payments to outside parties in which the joint liquidators or Leonard Curtis have an interest, also known as Category 2 disbursements. In this case, no costs falling into this category have been incurred.
- 6 8 Attached at Appendix C is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade.
- 6 9 During the liquidation, the following professional advisors and / or subcontractors have been used:

| Name of Professional Advisor | Service Provided | Basis of Fees |
|-------------------------------------|-----------------------------|---|
| EK Law Employment | Employment Consultancy Fees | Fixed Fee |
| Charles Taylor | Agents and Valuers | Time costs and percentage of realisations |
| Harold Sharp | Accountancy Fees | Fixed Fee |

Creditors' Rights

- 6 10 Within 21 days of receipt of this report, a creditor may request the joint liquidators to provide further information about the remuneration and expenses set out in this 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 five per cent in value of the creditors (including that creditor), or the permission of the court.
- 6 11 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the joint liquidators' remuneration is inappropriate, or the remuneration or expenses charged by the joint liquidators is excessive.
- 6 12 The application must, subject to any order of the court under paragraph 6 11 above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 6 13 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.

Yours faithfully
for and on behalf of
MORGAN POLYMERS LIMITED

J M TITLEY
JOINT LIQUIDATOR

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

APPENDIX A

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM
10 FEBRUARY 2012 TO 9 FEBRUARY 2013

| | Estimated to Realise £ | Movements in the Period £ |
|---|------------------------------|---------------------------------|
| RECEIPTS | | |
| Factored Debtors | 4,160 | 1,255 64 |
| Non Factored Debtors | 2,500 | - |
| Cash at Bank and in Hand | 3,000 | 3,016 98 |
| Plant and Machinery, Fixture and Fittings and Stock | 6,100 | - |
| | <u>15,760</u> | <u>4,272 62</u> |
| Bank Interest | | 6 21 |
| | | <u>4,278 83</u> |
| PAYMENTS | | |
| Companies House Searches | | 1 00 |
| Statutory Advertising | | 229 50 |
| Bordereau | | 25 00 |
| Accountancy Fees | | 500 00 |
| Employment Consultancy Fees | | 250 00 |
| Software Licence | | 75 00 |
| TOTAL COSTS AND CHARGES INCURRED | | <u>1,080 50</u> |
| BALANCE IN HAND | | <u>3,198 33</u> |
| MADE UP AS FOLLOWS | | |
| Current Account | | 2,997 43 |
| VAT Control Account | | 200 90 |
| | | <u>3,198 33</u> |

APPENDIX B

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 10 FEBRUARY 2012 TO 9 FEBRUARY 2013

| | Director | | Senior Manager | | Manager 2 | | Administrator 1 | | Administrator 2 | | Administrator 4 | | Total | | Average Hourly Rate £ |
|-------------------------------------|----------|-----------|----------------|-----------|-----------|-----------|-----------------|-----------|-----------------|-----------|-----------------|-----------|-------|-----------|-----------------------------|
| | Units | Cost £ | Units | Cost £ | Units | Cost £ | Units | Cost £ | Units | Cost £ | Units | Cost £ | Units | Cost £ | |
| Statutory & Review | 2 | 85.00 | - | - | 15 | 427.50 | 98 | 2,254.00 | - | - | 7 | 94.50 | 122 | 2,861.00 | 234.51 |
| Receipts & Payments | 1 | 42.50 | - | - | 5 | 142.50 | - | - | - | - | - | - | 6 | 185.00 | 308.33 |
| Assets | 1 | 42.50 | - | - | 15 | 427.50 | 25 | 575.00 | 18 | 378.00 | 69 | 931.50 | 128 | 2,354.50 | 183.95 |
| Liabilities | - | - | 5 | 192.50 | 10 | 285.00 | 3 | 69.00 | 15 | 315.00 | 8 | 108.00 | 41 | 969.50 | 236.46 |
| Landlords | - | - | - | - | - | - | 20 | 460.00 | - | - | - | - | 20 | 460.00 | 230.00 |
| General Administration | 1 | 42.50 | - | - | - | - | - | - | 33 | 693.00 | 46 | 621.00 | 80 | 1,356.50 | 169.56 |
| Appointment | - | - | - | - | - | - | - | - | 23 | 483.00 | - | - | 23 | 483.00 | 210.00 |
| Post Appointment Creditors Meetings | - | - | 15 | 577.50 | - | - | - | - | 10 | 210.00 | - | - | 25 | 787.50 | 315.00 |
| Investigations | 9 | 382.50 | 2 | 77.00 | 5 | 142.50 | - | - | - | - | 35 | 472.50 | 51 | 1,074.50 | 210.69 |
| Total | 14 | 595.00 | 22 | 847.00 | 50 | 1,425.00 | 146 | 3,358.00 | 99 | 2,079.00 | 165 | 2,227.50 | 496 | 10,531.50 | |
| Average Hourly Rate (£) | | 425.00 | | 385.00 | | 285.00 | | 230.00 | | 210.00 | | 135.00 | | 212.33 | |
| All Units are 6 minutes | | | | | | | | | | | | | | | |

LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 1 January 2012 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

| | Standard £ | Complex £ |
|-----------------|---------------|--------------|
| Director | 425 | 531 |
| Senior Manager | 385 | 481 |
| Manager 1 | 330 | 412 |
| Manager 2 | 285 | 356 |
| Administrator 1 | 230 | 287 |
| Administrator 2 | 210 | 262 |
| Administrator 3 | 190 | 237 |
| Administrator 4 | 135 | 168 |
| Support | 0 | 0 |

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

- Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

| | |
|--|---|
| Internal photocopying | 10p per copy |
| General stationery, postage, telephone etc | £100 per 100 creditors/ members or part thereof |
| Storage of office files (6 years) | £66.09 per box |
| Business mileage | 45p per mile |

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

PROOF OF DEBT – GENERAL FORM

| Morgan Polymers Limited | | |
|--|--|---------------------------|
| Date of resolution for voluntary winding-up 10 February 2012 | | |
| 1 | Name of Creditor (if a company please also give company registration number) | |
| 2 | Address of creditor for correspondence (Please include email address) | |
| 3 | Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation | £ |
| 4 | Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting) | |
| 5 | If amount in 3 above includes outstanding uncapitalised interest please state amount | £ |
| 6 | Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form) | |
| 7 | Particulars of any security held, the value of the security, and the date it was given | |
| 8 | Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates | |
| 9 | Signature of creditor or person authorised to act on his behalf | |
| | | |
| | Name in BLOCK LETTERS | |
| | | |
| | Position with or relation to creditor | |
| Address of person signing (if different from 2 above) | | |
| Admitted to vote for | | Admitted for dividend for |
| £ | | £ |
| Date | | Date |
| Liquidator | | Liquidator |