

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

03663699

Name of Company

Ocean Air Distribution Limited

I / ~~We~~

Barry David Lewis FCA FABRP
2 Sovereign Quay
Havannah Street
Cardiff
CF10 5SF

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 15/02/2013 to 14/02/2014

Signed 

Date

28 MARCH 2014

Harris Lipman LLP
2 Sovereign Quay
Havannah Street
Cardiff
CF10 5SF

Ref 03117/BDL/COP

THURSDAY



A360X49K

A17 17/04/2014 #188

COMPANIES HOUSE

A34YH1HK

A12 02/04/2014 #194

COMPANIES HOUSE

Ocean Air Distribution Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 15/02/2013 To 14/02/2014	From 15/02/2011 To 14/02/2014
ASSET REALISATIONS			
200,000 00	Freehold Land & Property	NIL	NIL
400 00	Furniture & Equipment	NIL	NIL
2,000 00	Plant & Machinery	NIL	NIL
16,000 00	Motor Vehicles	NIL	26,050 00
1,000 00	Stock/WIP	NIL	NIL
79,604 86	Book Debts	NIL	60,905 00
NIL	BEKC Limited - in liquidation	NIL	8,970 81
9,975 27	VAT Refund	NIL	NIL
10,852 95	Insurance claim	NIL	11,716 50
171,279 80	Cash at Bank	NIL	206,149 07
NIL	Goodwill & IPR	NIL	8,000 00
	Bank Interest Gross	NIL	23 01
	Sundry Refunds - Pitney Bowes	472 36	972 36
		472 36	322,786 75
COST OF REALISATIONS			
	DTI Cheque/BACS Fees	NIL	105 00
	Specific Bond	NIL	400 00
	Preparation of S of A	NIL	10,000 00
	Liquidators Fees	13,900 00	146,900 00
	Joint Administrators Fees	NIL	NIL
	Liquidators Expenses	NIL	120 00
	Tax preparation fees	NIL	200 00
	Agents Commission	NIL	3,405 00
	Agents/Valuers Fees	NIL	8,160 00
	Agents Disbursements	NIL	897 50
	Debt Collection Costs	NIL	5,967 50
	Corporation Tax	5 58	5 58
	Delivery charges	NIL	260 00
	Statutory Advertising	148 50	462 81
	Insurance of Assets	NIL	3,299 78
		(14,054 08)	(180,183 17)
PREFERENTIAL CREDITORS			
	HM Revenue and Customs - TAX & NI	NIL	1,508 95
	Redundancy Payments Office	NIL	5,982 30
Uncertain	Employees Claims	NIL	4,294 80
		NIL	(11,786 05)
UNSECURED CREDITORS			
(978,793 88)	Trade & Expense Creditors	28,932 44	122,457 64
Uncertain	Employees	61 23	315 33
	Redundancy Payments Office	991 33	4,295 75
(32,504 32)	HM Revenue and Customs - PAYE &	15 00	2,931 28
(45,468 32)	HP Unsecured Claims	NIL	NIL
(39,322 62)	Warranty Provisions	NIL	NIL
		(30,000 00)	(130,000 00)
DISTRIBUTIONS			
(100,000 00)	100,000 £1 ordinary shares	NIL	NIL
		NIL	NIL

(704,976.26)

(43,581.72)

817.53

REPRESENTED BY

Brown Shipley - Floating Account
Vat Control Account

37 53

780 00

817.53

our ref

your ref

date

please reply to

BDL/COP/03117

28 March 2014

Christine Page

HARRIS
LIPMAN 60 year

1954 - 2014

TO ALL MEMBERS AND CREDITORS

2 Sovereign Quay

Havannah Street

Cardiff CF10 5SF

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DX 200767 Cardiff Bay

e-mail mail@harris-lipman.co.uk

website www.harris-lipman.co.uk

Dear Sirs

OCEAN AIR DISTRIBUTION LIMITED - IN LIQUIDATION

This is the Liquidator's third annual progress report ("the report") for the year ended 14 February 2014

1. Statutory information

The Company's registered name is Ocean Air Distribution Limited and traded as distributor and provider of air condition units and ancillary services

The Company was incorporated on 6 November 1998 under company number 03663699

The registered office of the Company was formerly Unit 3, Burns Way, Holmbush, Potteries Estate, Faygate, Horsham, West Sussex and was changed on 4 February 2011 to 2 Mountview Court, 310 Friern Barnet Lane, Whetstone, London, N20 0YZ for the purposes of the Liquidation

I, Barry David Lewis FCA FABRP of Harris Lipman LLP, 2 Mountview Court, 310 Friern Barnet Lane, Whetstone, London, N20 0YZ was appointed Liquidator of the above-named Company by a resolution of the members of the Company on 15 February 2011

There have been no changes of Liquidator in the period to which this report relates

2. Liquidator's progress during the period of this report

During the period under review there has been only one receipt in respect of a refund from Pitney Bowes.

Chartered Accountants

Harris Lipman LLP is a limited liability partnership registered in England & Wales. Registered Number 0C311167

Registered to carry on audit work in the UK & Ireland and regulated for a range of investment business activities by The Institute of Chartered Accountants in England & Wales

A list of Members names is open to inspection at our Registered Office 2 Mountview Court, 310 Friern Barnet Lane London N20 0YZ

Also at 2 Mountview Court, 310 Friern Barnet Lane, Whetstone, London N20 0YZ tel 020 8446 9000 fax 020 8446 9537 DX 132690 Whetstone 2

UK200Group
independent quality assured professionals

Administrative matters

A company Comfort Air Conditioning Limited is in liquidation and is a debtor of Ocean Air Distribution Limited. The Liquidator of Comfort Air Conditioning Limited has advised that there may be a payment to the unsecured creditors but at present is unable to advise how much the dividend is likely to be or confirm when the payment will be made.

Please advise me as soon as possible if you are aware of any other assets of the Company that have not been referred to above or previously.

Investigative matters

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation.

The Company's books and records have been recovered, listed and analysed, it transpired that there was an action to be undertaken against the beneficial owners of BEKC Ltd for a breach of the Insolvency Act. After liaising with the liquidator of BEKC Ltd it was agreed that they would pursue the beneficial owners, a settlement was reached in respect of this matter and I received the amount of £8,970.81 in full and final settlement of this matter.

In accordance with my statutory duties, a conduct report on the director has been submitted to the Insolvency Service pursuant to the Company Directors Disqualification Act 1986.

If you are aware of any matters which you believe require my investigation, please advise me accordingly, in writing, providing as much detail as possible with regard to those matters. Any such contact will, of course, be kept confidential.

General matters

In addition to the work undertaken to result in the asset realisations referred to above, throughout the period of my administration I have responded to the queries of creditors and noted creditor claims. I have also paid a second dividend to unsecured creditors.

As appropriate, I have liaised with the employees and the Redundancy Payments office.

Specific tasks such as the agreement of creditor claims, VAT and tax issues, cashiering and statutory returns have been allocated to team members who have specialist knowledge in the relevant areas.

Additionally, I have complied with obligations imposed by statute and my regulatory body which include, but are not limited to, the submission of returns to Companies House, HM Revenue and Customs, insuring assets and specific penalty bonding.

3. Abstract of the Liquidator's receipts and payments

Please note that all items detailed on the receipts and payments account are shown net of VAT as the company was registered for VAT and the VAT can therefore be recovered for the benefit of the insolvent estate

4. Assets which remain to be realised

I have lodged a claim in the liquidation of a company called Comfort Air Conditioning. I have been advised that a dividend to the unsecured creditors is likely

5. Liquidator's remuneration

At the first meeting of creditors held on 15 February 2011, the creditors authorised the payment of a fee of £15,000 plus VAT and disbursements for assistance with the statement of affairs and producing and circulating the notices for meetings of members and creditors prior to my appointment. This fee was paid partly from first realisations with a portion personally paid by the director, Mr Stephen Shoubridge, the amount paid from realisations is shown in the enclosed receipts and payments account

My remuneration was fixed by reference to the time properly spent by myself and my staff in attending to matters arising in the Liquidation at a meeting of creditors on 15 February 2014

For creditor's information, the charge out value of time costs incurred during the period to which this report relates amounts to £14,441.25 made up of 63.67 hours at an average charge out rate of £226.81 per hour

This cost has primarily been incurred in the administration of the Liquidation full details of which are covered in section 2 above

I attach at Appendix 1 a breakdown of the time costs between the grades of staff allocated to this case, which includes details of the current charge out rates of myself and my team who have been and will be dealing with the Liquidation

You will note from the attached breakdown of time costs that I have recovered £13,900.00 in respect of my time costs during the period of this report

A copy of "A Creditors' Guide to Liquidator's Fees", issued by the Association of Business Recovery Professionals, which sets out the basis of fixing the Liquidator's Remuneration, is available on our website at

<http://www.harris-lipman.co.uk/resources/r3-insolvency-guides/>

You should then choose the appropriate creditor guide for the type of appointment after 6 April 2010

Please let me know if you do not have access to the internet and would prefer a hard-copy of this guide.

6. Liquidator's expenses

The payments made from the estate during the period of this progress report have been £148 50 for statutory advertising, and £5 58 for outstanding corporation tax

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

Professional Advisor	Nature of Work	Fee Arrangement
Southern Insolvency Group (UK) Ltd	Valuer/Auctioneer	Percentage of realisations/Fixed Fee & Disbursements
Abacus Accounting	Book Debt collection	Percentage of realisation
Abacus Accounting	Tax	Fixed fee
Debenhams Ottaway	Book debt collection	Percentage of realisations

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

Below is a table which details what disbursements have been incurred and paid in the Liquidation

Nature of Expense	Paid (£)	Remains Outstanding (£)	Total Paid by the Liquidation (£)
Agents/Valuers Disb	897 50	Nil	897 50
Agents/Valuers Fees	8160 00	Nil	8160 00
Agents commission	3405 00	Nil	3405 00
Specific Penalty Bond	400 00	Nil	400 00
DTI cheque/BACS fees	105 00	Nil	500 00
Delivery charges	260 00	Nil	260 00
Statutory Advertising	462 81	Nil	462 81
Tax preparation fees	200 00	Nil	200 00
Insurance	3,299 78	Nil	3,299 78

A charge of £120 + VAT has been paid from the estate in respect of the cost of storing the Company's books & records, being a category 2 disbursement. I have also incurred expenses in respect of search fees of £20, statutory advertising of £75, which were borne by this firm due to lack of funds and which will be recharged to the estate in due course.

A statement with regard to my disbursements recovery policy is attached at Appendix 2

7. Return to creditors pursuant to Section 176A

The provisions of Section 176A of the Act require a calculation to be made of the prescribed part of the company's net property for distribution to unsecured creditors. The prescribed part must be calculated and provided for where debentures of the company have been created after 15th September 2003.

In dealing with realisations under the prescribed part, I am entitled to take into account the claims of the preferential creditors and the costs and expenses associated in dealing with the prescribed part

The company's net property comprises floating charge realisations less preferential claims and the costs of dealing with the prescribed part

Although the Company's bank did have a relevant floating charge, their account was settled prior to liquidation and therefore, the provisions of Section 176A do not apply in this matter

8. Outcome for creditors

I have received and admitted a claim from the Redundancy Payments Service in respect of payments made to former employees of the company, in the sum of £6,137 87 preferential and £34,243 91 non-preferential

There are additional claims of £4,095 27 preferential and £1,166 34 non-preferential in relation to claims of former members of staff which have been calculated to rank for dividend, these being over and above the statutory maximum limited paid by the Redundancy Payments Office under current legislation

I have received and admitted claims in respect of PAYE, NI, and VAT totalling £40,381 78

Trade and Expense creditor claims agreed to date total £992,241 87 against total creditors' claims shown on the Company's statement of affairs of £978,793 88

I can advise that preferential creditors have received a dividend of 100 pence in the pound on their claims in this matter. Unsecured creditors have received a dividend of 12 55p in the pound on their claims

9. Creditors' right to information

A creditor may make a request for further information regarding my remuneration and expenses. Any such request must be in writing and should be made within 21 days of receipt of this report. Where the request is made by an unsecured creditor, it must be supported by at least 5% in value of the unsecured creditors, or with the permission of the Court.

If the information requested is either prejudicial to my conduct of this case, might lead to violence against any person, may be confidential or the costs of preparing the requested information would be excessive, I may not be obliged to provide it.

Any unsecured creditor may make an application to the Court in respect of any information provided following such a request or my failure to provide same, after 14 days of my receipt of that request.

Additionally, creditors may make an application to Court to challenge the amount or basis of my remuneration and expenses, which must be supported by at least 10% in value of the creditors, including the applicant's claim. The application must be made within 8 weeks of receipt of this report. The costs of the application must also be paid by the creditors making the application.

Further details with regard to these provisions form part of the guidance notes relating to fees referred to previously.

10. Next report

I am required to provide a further progress report within two months of the end of the next anniversary of the Liquidation.

The liquidation of the above company will remain open until matter of the book debt and the receipt of the dividend payment. Once this issue has been dealt with, the liquidation will be finalised and my files will be closed.

Should you have any further queries in relation to the contents of this report, or with regard to other matters arising, please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Barry David Lewis', written over a horizontal line.

Barry David Lewis FCA FABRP

Licensed as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Liquidator

OCEAN AIR DISTRIBUTION LIMITED

APPENDIX I

TIME CHARGE OUT SUMMARY FOR THE PERIOD ENDED 14 FEBRUARY 2014

Classification of work function	HOURS						£	
	Partner	Senior Manager	Manager	Senior	Semi-Senior	Junior	Support	
Admin and Planning	0 10	5 70	0 00	13 70	8 00	2 12	0 00	
Investigations	1 30	0 00	0 00	0 00	0 00	0 00	0 00	29 62
Realisation of Assets	2 80	0 00	0 00	0 00	0 00	0 00	0 00	1 30
Creditors	0 00	0 00	0 00	29 20	0 00	0 00	0 00	2 80
Support	0 00	0 00	0 00	0 00	0 00	0 00	0 75	29 20
								0 75
Total Hours	4 20	5 70	0 00	42 90	8 00	2 12	0 75	63 67
Total Costs	2,059 00	1,767 00	0 00	9,073 00	1,281 50	223 25	37 50	14,441 25
Total Fees claimed (£)	1,981 83	1,700 77	0 00	8,732 95	1,233 47	214 88	36 09	13,900 00

CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS 2013

	£ per hour
Partner	350-525
Senior Manager	310
Manager	265
Senior	210
Semi-Senior	160
Junior	105
Support Staff	50-100

CURRENT CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS

	£ per hour
Partner	380-545
Senior Manager	320
Manager	275
Senior	220
Semi-Senior	165
Junior	110
Support Staff	52

Note 1

There may have been a number of promotions through the various grades during the period of the administration

Note 2

It is the policy of this firm to account for secretarial staff as an overhead cost Overhead costs are reflected in the charge out rates detailed

Note 3

The charge-out rate of the Insolvency Practitioner for this assignment is currently £545 per hour, and the administrator is £220 per hour

Note 4

Time is recorded in minimum units of 6 minutes

Appendix 3
Ocean Air Distribution Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 15/02/2013 To 14/02/2014	From 15/02/2011 To 14/02/2014
	ASSET REALISATIONS		
200,000 00	Freehold Land & Property	NIL	NIL
400 00	Furniture & Equipment	NIL	NIL
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NIL	Goodwill & IPR	NIL	8,000 00
	Bank Interest Gross	NIL	23 01
	Sundry Refunds - Pitney Bowes	472 36	972 36
		<u>472 36</u>	<u>322,786 75</u>
	COST OF REALISATIONS		
	DTI Cheque/BACS Fees	NIL	105 00
	Specific Bond	NIL	400 00
	Preparation of S of A	NIL	10,000 00
	Liquidators Fees	13,900 00	146,900 00
	Joint Administrators Fees	NIL	NIL
	Liquidators Expenses	NIL	120 00
	Tax preparation fees	NIL	200 00
	Agents Commission	NIL	3,405 00
	Agents/Valuers Fees	NIL	8,160 00
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		<u>NIL</u>	<u>(11,786 05)</u>
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(39,322 62)	Warranty Provisions	NIL	NIL
		<u>(30,000 00)</u>	<u>(130,000 00)</u>
	DISTRIBUTIONS		
(100,000 00)	100,000 £1 ordinary shares	NIL	NIL
		<u>NIL</u>	<u>NIL</u>

(704,976.26)

(43,581.72)

817.53

REPRESENTED BY

Brown Shipley - Floating Account
Vat Control Account

37 53
780 00

817.53

APPENDIX 2

DISBURSEMENTS RECOVERY POLICY

Professional advisors have been selected on the basis that they have the appropriate experience and qualifications to effectively deal with the issues arising in a case of this nature

All disbursements are shown gross. As the debtor was not registered for VAT purposes VAT cannot be recovered, and is therefore an expense of the insolvent estate

Category 1 Disbursements

Specific expenditure relating to the administration of the insolvent estate and payable to an independent third party is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

As there have been no realisations in this matter to date, all such disbursements such as statutory advertising, insurance of assets, search fees and specific penalty bonding have been paid by Harris Lipman LLP and will be recharged through the estate as and when funds are available.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost is recoverable with creditor approval.

Payments in respect of the above are defined as 'Category 2 Disbursements'. They are as follows:

Storage at £40 per box per annum or part thereof plus VAT

Destruction at £3.50 per box plus VAT,

being the current rates applicable.