

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

To the Registrar of Companies

Company Number

03984360

Name of Company

(a) Insert full name of
company

(a) HAYESSHELF NUMBER 1 LIMITED

Limited

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

I/We (b)

Stephen Paul Grant of Wilkins Kennedy LLP, Bridge House, London Bridge, London SE1 9QR
and Anthony Malcolm Cork of Wilkins Kennedy LLP, Bridge House, London Bridge, London
SE1 9QR

The Joint Liquidators 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 29 March 2012 to 28 March 2013

Signed



Date 23/5/13

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

Stephen Paul Grant
Wilkins Kennedy LLP
Bridge House
London Bridge
London
SE1 9QR

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COMPANIES HOUSE

ANNUAL REPORT

HAYESSHELF NUMBER 1 LIMITED

22 May 2013

**Hayesshelf Number 1 Limited
(In Members' Voluntary Liquidation)**

Annual Progress Report

22 May 2013

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HAYESSHELF NUMBER 1 LIMITED

22 May 2013

1. STATUTORY INFORMATION

Company Name	Hayesshelf Number 1 Limited
Previous Company Name	Catomance Technologies Limited
Registered Office	Bridge House, London Bridge London SE1 9QR
Former Registered Office	4 Caxton Place, Stevenage, Hertfordshire SG1 2UF
Registered Number	03984360
Liquidators' Names	Stephen Paul Grant and Anthony Malcolm Cork
Liquidators' Address	Bridge House, London Bridge London SE1 9QR
Liquidators' Date of Appointment	29 March 2012

2 INTRODUCTION

I am writing to provide you with my first progress report on the conduct of the liquidation following my appointment as Joint Liquidator at the meeting of members on 29 March 2012

3. RECEIPTS AND PAYMENTS ACCOUNT

A copy of my receipts and payments account for the period 29 March 2012 to 28 March 2013 is attached at Appendix I

4. ASSET REALISATIONS

Book Debts

The directors' sworn Declaration of Solvency stated that an amount of £156,851 00 was due in respect of debtors

The breakdown of the £156,851 00 is as follows

CTL Sale Proceeds - Retention

An amount of £124,261 00 for retention was due to the Company following the sale of CTL Limited to M & S Limited in 2011. It was previously agreed by the members that a payment for redundancy to an ex employee would be taken from this amount. The final agreed amount of £111,690 87 was realised in full and no further funds are due

Debtors – Murphy & Sons

An amount of £20,254 94 was due to be realised from Murphy & Sons. A payment of £18,931 42 was received in the Company's Barclays account prior to funds being transferred into the liquidation account. Since then, a further two payments totalling £383 80 have been realised. A difference of £939 72 between the directors' estimated to realise amount on the Declaration of Solvency has been written off. No further funds are expected

Debtors – T Woods

The Declaration of Solvency showed an amount due from T Woods of £346 62. This amount was received prior to the liquidation

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Rent Deposit

An amount of £11,987 50 plus any accruing interest is currently being held with the landlord until an agreement has been made regarding the dilapidations. This amount will be primarily used to off-set against the cost of dilapidations and if any further amount is required, this will be paid for by the Company.

Directors Loan Account

As stated on the Declaration of Solvency, an amount of £3,592 06 is due from Michael Woods. This amount will be repaid at the date the final distribution is declared.

VAT Refund

The Declaration of Solvency showed a refund of £11,902 00 due to the Company. To date, £3,286 35 has been realised. The difference of £8,615 65 has been written off as the amount stated on the Declaration of Solvency was calculated in error.

Cash at Bank

The Declaration of Solvency showed that the Company had cash at bank of £1,092,666 00 on the day that the Declaration of Solvency was signed by the directors, which they believed would be realised in full. An amount totalling £1,090,586 58 has been realised from the Company's banks, Barclays Bank Plc ("Barclays") and National Westminster Plc ("NatWest").

Bank statements for the Company's Barclays account show that from the 26th - 30th March 2012 the Company's account balance was £6,468 67. However, a few sizeable receipts from the debt collection company and a couple of returned cheques left a balance of £26,668 15 in the Company's account as at 4 May 2012 when the account was closed.

Bank statements for the Company's NatWest account have been requested but are yet to be received.

The difference between the directors' estimated to realise amount on the Declaration of Solvency will be investigated upon receipt of all bank statements.

Bank Interest Gross

Gross bank interest of £900 95 has been received in the Company's liquidation account, held by Allied Irish Bank (GB), between 29 March 2012 and 28 March 2013. The account is interest bearing and interest continues to accrue.

Funds in Hand from Solicitors

£4 82 has been realised in respect of interest accrued from the funds held by the Company's solicitors, Nelsons Solicitors Limited.

Car Refund

The Joint Liquidators realised an amount of £511 98 from Banque PSA Finance on behalf of Lex Autolease in respect of a refund on the Land Rover that was leased from them. The £511 98 refund was in relation to an overpayment taken by a standing order after Michael Woods paid the balance early.

This amount is to be refunded to Michael Woods and will be offset against his overdrawn directors' loan account.

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5. CREDITORS' CLAIMS

The directors' sworn Declaration of Solvency stated that the Company had creditors amounting to £221,660 00. A breakdown of the creditor claims are as follows

HM Revenue & Customs ("HMRC")

The directors' sworn Declaration of Solvency stated that the Company owed an estimated amount of £95,543 00 to HMRC in respect of corporation tax

A payment of £94,151 23 in respect of outstanding corporation tax was paid to HMRC in full and final settlement of this liability. £93,009 63 was in respect of HMRC's claim with the balance of £1,141 60 being the accrued statutory interest at the rate of 8% above the Bank of England rate

Accruals

The directors' sworn Declaration of Solvency stated that an amount of £125,117 00 was owed in respect of accruals. The accruals consisted of payments due in respect of the directors' motor vehicles, accountancy fees, directors' loan interest balances and dilapidations costs

The breakdown of the £125,117 00 is as follows

Directors' Motor Vehicles

According to the accruals calculation, fees owing in relation to the directors' motor vehicles were estimated at £2,778 29. Of this amount £810 96 and £420 05 were in relation to Michael Woods and John Hayes respectively for their lease payments, with the balance of £1,547 28 being in respect of import costs on the vehicles

These payments for the vehicles were paid personally by the directors and therefore no funds were due to be paid by the Company

Dilapidations Costs

An amount has been estimated for the settlement of the Company's dilapidations costs

Negotiations are still on-going and there is no indication as to when a final figure will be agreed between the landlord and the Company

Accountants Fees

It was estimated that an amount of £10,572 00 would be payable to Wilkins Kennedy LLP accountants for their work in dealing with the Company's accounts up to the date of liquidation

To date, the Joint Liquidators have paid an amount of £10,072 00 to Wilkins Kennedy LLP in respect of their work on the Company's behalf

As the dilapidations issue is still on-going, the final accountancy bill will not be raised until this matter is settled and the final accounts have been completed and filed with HMRC

Directors' Loan Interest Balances

The accruals calculation shows directors' loan interest balances of £666 00 and £1,452 00 in relation to historic loans advanced to the Company by Michael Woods and John Hayes respectively

These amounts will be added to their final distribution payment

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Employee Redundancy Pay

A payment of £12,525 was estimated to be owed to Stephen Luff by the Company in respect of redundancy pay

Stephen Luff was paid in full from the proceeds of the book debts from Murphy & Sons prior to the balance being transferred to the Company

Additional Creditors

The directors advised of additional creditors after the Declaration of Solvency was sworn

A payment of £474 04 in respect of gas supplied to the previous registered office was paid to Total Gas & Power Limited in full and final settlement of this liability £460 12 was in respect of their claim with the balance of £13 92 being the accrued statutory interest at the rate of 8% above the Bank of England rate

A further payment of £68 62 in respect of water supplied to the previous registered office was paid to Veolia Water Limited in full and final settlement of this liability £66 61 was in respect of their claim with the balance of £2 01 being the accrued statutory interest at the rate of 8% above the Bank of England rate

Rates

A payment of £1,186 75 was made to Stevenage Borough Council for office rates for the period 1st April 2011 – 13th March 2012

Telephone

Two payments were made in respect of telephone bills for the members personal mobiles with Alternative Networks Plc ("ANP") £74 15 was reimbursed to Michael Woods after personally paying for April 2012 £210 44 was paid directly to ANP for May – July 2012 No further payments are to be made by the Company

Professional Fees

A payment was made to GKS Building Consultants Limited for £3,148 80 in respect of work carried out for the dilapidations

Two payments were made to RMBS Limited totalling £180 00 in respect of completing and submitting end of year returns on behalf of the Company

6. MATTERS PREVENTING CLOSURE

The directors' and their agent, GKS Building Consultants Limited, are still involved in negotiations with the Company's landlord in respect of dilapidations costs

Until this matter is settled I am unable to proceed to closing the liquidation

7. DISTRIBUTIONS TO SHAREHOLDERS

Two cash distributions totalling £954,421 76 at a rate of £5,103 86 per share were made to the directors

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	First Distribution		Second Distribution		Total to date
	Amount	Date Paid	Amount	Date Paid	
John Hayes	£100,000 00	24/05/2012	£275,133 69	29/08/2012	£375,133 69
Michael Woods	£154,421 77	24/05/2012	£424,866 31	29/08/2012	£579,288 08

Until the dilapidations issue is settled, it is unclear how much will be paid to the directors in a third and final distribution

8. COSTS AND EXPENSES

At the General Meeting held on 29 March 2012, the shareholders authorised that remuneration may be drawn in relation to this assignment, the resolutions stating -

"That the Joint Liquidators' remuneration for dealing with matters in the liquidation should be fixed by reference to the time costs properly incurred by the Joint Liquidators and their staff and authority is hereby given for them to draw their remuneration on this basis, capped at £1,000 plus VAT and disbursements "

"That the Joint Liquidators be authorised to draw "Category 2" disbursements out of the assets as an expense of the liquidation "

Joint Liquidators' Fees

The time costs incurred to date on this assignment are evaluated at £7,501 representing 56 65 hours Fees of £1,000 have been drawn in relation to time spent on the Liquidation to date

The balance of £6,501 will be written off

A description of the routine work undertaken in the liquidation is set out at Appendix II In addition to the routine work I have incurred time costs as follows -

- Liaising with the directors regarding the ongoing settlement of dilapidations

A tabulation of the total time spent analysed by grade of staff, together with details of current charging rates and disbursement policy, is attached at Appendix II

Joint Liquidators' Expenses

I have incurred the following expenses in this matter in the period 29 March 2012 to 28 March 2013 -

	£
Category 1	
Statutory Bonding	400 00
Statutory Advertising	183 00
Storage Costs	175 92
	<hr/> 758 92
	£
Category 2	
Meeting Room Hire	50 00
	<hr/> 50 00

The full balance of these expenses has been drawn from the assets in the liquidation and they are detailed on the receipts and payments account enclosed at Appendix I

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A member may, with the permission of the court or with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company request further details of the Liquidators' remuneration and expenses, within 21 days of receipt of this report

A member may, with the permission of the court or with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company, apply to court to challenge the amount and/or basis of the Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report

If members have any queries regarding this report or the conduct of the liquidation in general, they should contact nominate Kelly Jones on 020 7403 1877



Stephen Paul Grant
Joint Liquidator

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APPENDIX I

RECEIPTS AND PAYMENTS ACCOUNT

**Hayessshelf Number 1 Limited - In Members Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments**

From 29 March 2012 To 28 March 2013

Declaration of Solvency £		£
RECEIPTS		
156,851	Book Debts	112,074 67
1,092,666	Cash at Bank	1,090,586 58
NIL	Bank Interest Gross	900 95
3,592	Directors Loans	NIL
NIL	Funds in hand from Solicitors	4 82
NIL	Car Refund	511 98
11,902	Vat Refund	3,286 35
<u>1,265,011</u>		<u>1,207,365 35</u>
PAYMENTS		
	Telephone	245 19
	Office Holders Fees	1,000 00
	Storage Costs	175 92
	Statutory Advertising	183 00
	Rates	1,186 75
	PAYE & NI	4,097 00
	Bank Charges	60 00
	Meeting Room Cost	50 00
	Accountancy Fees	6,072 00
	Professional Fees	6,774 00
	Vat Receivable	2,970 39
	Unsecured Creditors	93,536 36
	Statutory Interest - Unsecured	1,157 53
	Specific Bond	400 00
	Ordinary Shareholders	954,421 76
		<u>1,072,329 90</u>
CASH IN HAND		<u>135,035 45</u>

WILKINS KENNEDY LLP

Schedule of Joint Liquidators' remuneration and disbursements

for

Hayesshelf Number 1 Limited

as at 29 March 2012 to 28 March 2013

JOINT LIQUIDATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	4 65	3 45	-	44 60	52 70	6754 00	128 16
Investigations	-	-	-	-	-	-	-
Realisation of assets	0 2	-	-	0 8	1 00	157 00	157 00
Trading	-	-	-	-	-	-	-
Creditors	0 5	-	-	0 6	1 10	280 00	254 55
Statutory	0 75	-	-	0 1	0 85	310 00	364 71
Closure	-	-	-	-	-	-	-
Total hours	6 10	3 45	-	46 10	55 65	7,501 00	134 79
Total fees claimed (£)						1,000 00	

Wilkins Kennedy LLP Charge-Out Rates

1 February 2011 to 31 January 2012

£

1 February 2012 to Date

£

Partners/Directors 375 00 – 430 00
 Senior Managers/Managers 240 00 – 270 00
 Administrators 125 00 – 195 00
 Junior Administrators 85 00 – 100 00
 Cashiers/Secretaries 75 00 – 90 00

Partners/Directors 400 00 – 450 00
 Senior Managers/Managers 270 00 – 300 00
 Supervisors 205 00
 Case Managers/Senior Administrators 195 00
 Administrators/Investigators 100 00 – 145 00
 Junior/Trainee Administrators 65 00 – 100 00
 Cashiers/Secretaries 75 00 – 90 00

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Explanation of officeholders time charging policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1 Administration and planning

- Preparing documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors where appropriate

2 Investigations

- Review and storage of the Company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

3 Realisation of assets

- Identifying, securing and obtaining sufficient insurance in respect of company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

4 Trading

- Management of trading operations
- Maintaining and preparing accounting records for the period of trade
- Dealing with ongoing employee issues

5 Creditors

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)
- Reporting to and corresponding with the liquidation committee

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Explanation of officeholders disbursement recovery policy

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements. SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration. SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as 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

Photocopying	5 pence per sheet
Mileage	45 pence per mile
Meeting Room	£50 per meeting