

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

04455835

Name of Company

Brand Newco 453 Limited formerly Eternit Steels Limited

I / We

Steven Wiseglass, St John's Terrace, 11-15 New Road, Manchester, M26 1LS

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 19/11/2015 to 18/11/2016

Signed



Date

17.1.17

Inquesta Corporate Recovery & Insolvency
St John's Terrace
11-15 New Road
Manchester
M26 1LS

Ref A1094/SW/MP

WEDNESDAY



A5YECXLP

A24

18/01/2017

#348

COMPANIES HOUSE

Brand Newco 453 Limited formerly Eterniti Steels Limited in Creditors Voluntary Liquidation ("Company")

Second Progress Report For the year 19 November 2015, to 18 November 2016

Contents

- 1 INTRODUCTION
- 2 BACKGROUND
- 3 ASSET REALISATIONS
- 4 INVESTIGATIONS
- 5 CREDITORS' CLAIMS
- 6 PRESCRIBED PART I DIVIDEND PAYMENTS
- 7 COSTS AND EXPENSES
- 8 CONCLUSION

APPENDICES

- APPENDIX I – LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
- APPENDIX II – LIQUIDATOR'S REMUNERATION AND GUIDE TO PROFESSIONAL FEES
- APPENDIX III – LIQUIDATOR'S TIME COST SUMMARY
- APPENDIX IV – PROOF OF DEBT

1 INTRODUCTION

- 1 1 The purpose of this progress report is to detail the Liquidator's acts and dealings, together with the conduct of the Liquidation for the second year of the liquidation

2 BACKGROUND

- 2 1 Steven Wiseglass was appointed Liquidator on 19 November 2014 at the General Meeting of Shareholders
- 2 2 The Company's registered office is c/o Inquesta Corporate Recovery & Insolvency, St John's Terrace, 11-15 New Road, Manchester, M26 1LS The Company's registration number is 04455835
- 2 3 The Company's former registered office was Unit 7 Langthwaite Road, South Kirkby, Pontefract WF9 3AP
- 2 4 The Company's trading address was Unit 7 Langthwaite Road, South Kirkby, Pontefract WF9 3AP
- 2 5 The Company's main activity was Steel Merchant
- 2 6 Further details on the background of the Company and the events leading up to the appointment of liquidator, can be found in the last report of 19 November 2014

3 ASSET REALISATIONS

- 3 1 The asset realisations are shown in the Receipts and Payments Account at Appendix I
- 3 2 The Company had debtors which were outstanding from 4 companies, 2 of these are now in liquidation, The Liquidator received a first and final dividend from one of these companies for £6,984 87, no further realisations are expected The Liquidator pursued the other debtors through the HSBC Invoice Financing company, these funds have been offset against the floating charge balance held with HSBC Bank plc

4 INVESTIGATION

- 4 1 The Liquidator has complied with his obligations in relation to the investigations into the affairs of the Company and the conduct of the directors
- 4 2 The directors' conduct report was submitted to the Department for Business Innovation & Skills on 11 May 2015
- 4 3 The content of the report is confidential and the Liquidator is unable to provide any further information in this regard

5 CREDITORS' CLAIMS

Secured Creditors

- 5 1 There are charges registered HSBC Asset Finance (UK) Limited and HSBC Equipment Finance (UK) Limited however it is understood that these charges have been settled in full

- 5 2 HSBC Bank plc, it is understood that the Company entered in to an Interest Rate Hedging Product there is £5,556 36 outstanding on this debt. The Liquidator investigated into the potential mis-selling of this Interest Rate Hedging Product, it was deemed that the Company did not have a claim against HSBC Bank plc and further investigations have been abandoned.
- 5 3 HSBC Invoice Finance (UK) Limited, the balance of this debt has been paid for by insurance held. The credit balance from outstanding debtors held by HSBC Invoice Finance (UK) Limited of £19,734 96 has been used to credit the outstanding monies owed to HSBC Bank plc in regards to the outstanding debt owed to the Interest Rate Hedging Product.

Preferential Creditors

- 5 4 The preferential claims are limited to employees' claims for unpaid wages (subject to a limit of £800), and unpaid holiday pay, which may be subrogated to the Secretary of State following payment by the Redundancy Payments Office ("RPO").
- 5 5 No employee claims have been received.

Unsecured Creditors

- 5 6 According to the statement of affairs prepared by the director the Company's the number of unsecured creditor's amount 13 claiming a total of £74,798 45. Claims from 17 unsecured creditors totaling £177,577 14 have been received to the Liquidator, these claims have been formally adjudicated upon.
- 5 7 It is noted that the increase of actual claims received by the Liquidator to those given by the director in the statement of affairs includes the shortfall owed to creditors after the sale of assets held under a lease agreement.

6 PRESCRIBED PART I DIVIDEND PAYMENTS

Prescribed Part

- 6 1 Pursuant to Section 176A of the Insolvency Act 1986, where a floating charge is created after 15 September 2003, a Prescribed Part of the Company's net property shall be made available to unsecured non-preferential creditors.
- 6 2 The Prescribed Part is calculated as a percentage of net property, as follows:
- | | |
|-----------------------------------|--|
| Net property less than £10,000 | 50% unless the costs of distribution outweigh the benefits |
| Net property greater than £10,000 | 50% up to £10,000 plus 20% thereafter to a maximum of £600,000 |
- 6 3 The maximum value of the ring-fenced proportion of the funds is known as the "Prescribed Part", is £600,000.

DIVIDEND PAYMENT VIA THE PRESCRIBED PART

- 6 4 A Notice of Intended Dividend was declared on 18 January 2016 with the last date of proving being the 19 February 2016. Since the Liquidator declared a first distribution to the floating charge holder on 6 January 2017, the total amount distributed was £5,556.36 with creditors receiving 100 pence in £ distribution on proven claims.
- 6 5 The Liquidator declared a first distribution to unsecured creditors on 11 January 2017. The total amount distributed was £12,609.52 with creditors receiving 7.10 pence in £ distribution on proven claims. These are transactions that have happened outside the reporting period.

7 COSTS AND EXPENSES

- 7 1 The Liquidator's receipts and payments account is attached, at Appendix I. Should you have any queries regarding this, please contact this office.
- 7 2 Estate funds are banked in a designated client account at a UK bank and have been reconciled to date.
- 7 3 The Liquidator's remuneration was previously authorised by members, at a meeting held on 19 November 2014, whereby the Liquidator's remuneration be based on time costs as per Inquesta Corporate Recovery & Insolvency published charge out rates.
- 7 4 The Liquidator's time costs during this period are as per the attached charge out rate summary at Appendix II, please see Appendix III for a time cost summary for the period. To date the Liquidator has drawn £22,860 against these time costs.
- 7 5 At the meeting held on 19 November 2014 a resolution was passed that Inquesta Corporate Recovery & Insolvency be paid the sum of £6,000 plus disbursements, plus VAT for the preparation of the Statement of Affairs. This amount has been paid in full.
- 7 6 At the meeting held on 19 November 2014 a resolution was approved that the Liquidator be empowered to draw disbursements on account in accordance with the charge out rates as published (also known as category 2 disbursements). No Category 2 disbursements have been charged.
- 7 7 Information regarding the fees of Liquidators, called 'A Creditors' Guide to Liquidators' Fees', and can be downloaded from <http://www.inquesta.co.uk/resources/creditors-guides/>. Should you require a hard copy, please contact this office.
- 7 8 In accordance with Rule 4.49E of the Insolvency Rules 1986, any secured creditor, or unsecured non-preferential creditor (with the concurrence of at least 5% in value of total unsecured claims or with the permission of the court), may make a request in writing to the Liquidator for further information about the remuneration or expenses set out in this draft report. This must be done within 21 days of receipt of this draft report.
- 7 9 In accordance with Rule 4.131 of the Insolvency Rules 1986, any secured creditor, or unsecured creditor (with the concurrence of at least 10% in value of total unsecured claims or with the permission of the court), may apply to court on the grounds that the remuneration charged, or basis fixed for the Liquidators' remuneration, or the expenses incurred by the Liquidator, are considered to be excessive or inappropriate.

7.10 The application must be made no later than eight weeks after the receipt of this draft report, and can only be made in respect of remuneration or expenses which are detailed in this draft report and which have not previously have been reported in earlier reports

7.11 The Liquidator's total time is commensurate with the work that has been undertaken and will continue to be undertaken by the Liquidator and his staff in dealing with the administration of the Company. Below is a summary of key issues, to assist creditors in understanding the strategy of the Liquidation,

- Asset realisations – The Liquidator has already secured assets realisations from the sale of a motor vehicle belonging to the company, outstanding book debts, a VAT refund and other sundry refunds

The Liquidator is still pursuing book debts that are owed by a company that is currently in administration. The likelihood of recovery of this debt and quantum is unknown

- Statutory Compliance – The Liquidator is required to carry out a number of activities on appointment which include reporting to creditors at the start of the assignment and also on an annual basis. The Liquidator must also operate a designated client account and is required to reconcile this account on a regular basis. There are also various cashiering functions to undertake for the duration of the liquidation

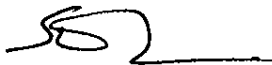
- Investigations – The Liquidator has a duty to carry out investigations into the affairs of the Company and the dealings of the Directors of the Company. Time has been spent in undertaking a financial review and carry out an assessment on any other information which may come to light

- Creditors – The Liquidator will deal with any correspondence he may receive from creditors and respond as appropriate. Steps will also be taken to review and agree creditor claims

8 CONCLUSION

8.1 The next progress report will be due within 2 months of the 18 November 2017 unless the administration of the case completes earlier, whereby a final report will be issued

8.2 Should you have any queries regarding the above please do not hesitate to contact this office



Steven Wiseglass MIPA
Liquidator
Brand Newco 453 Limited formerly Eterniti Steels Limited

APPENDIX I - LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

Brand Newco 453 Limited formerly Eterniti Steels Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 19/11/2015 To 18/11/2016	From 19/11/2014 To 18/11/2016
54,348 00	SECURED ASSETS Book Debts	<u>NIL</u> NIL	<u>NIL</u> NIL
	COSTS OF REALISATION Legal Fees	<u>NIL</u> NIL	<u>750 00</u> (750 00)
(14,970 08)	SECURED CREDITORS HSBC Invoice Finance Ltd	<u>NIL</u> NIL	<u>NIL</u> NIL
2,400 00	ASSET REALISATIONS Motor Vehicles	NIL	2,400 00
	Book Debts	6,984 87	7,518 87
74,566 92	VAT Refund	NIL	73,076 84
	Sundry Refund	NIL	859 94
	Bank Interest Gross	<u>28 56</u>	<u>35 17</u>
		7,013 43	83,890 82
	COST OF REALISATIONS Specific Bond	NIL	316 00
	Preparation of S of A	3,671 69	6,000 00
	Office Holders Fees	22,860 00	22,860 00
	Agents/Valuers Fees (1)	NIL	240 00
	Statutory Advertising	<u>NIL</u>	<u>220 88</u>
		(26,531 69)	(29,636 88)
(25,275 00)	FLOATING CHARGE CREDITORS Floating Charge Creditor	<u>NIL</u> NIL	<u>NIL</u> NIL
(118,946 56)	UNSECURED CREDITORS Trade & Expense Creditors	<u>NIL</u> NIL	<u>NIL</u> NIL
(163 00)	DISTRIBUTIONS Ordinary Shareholders A	NIL	NIL
(40 00)	Ordinary Shareholders B	NIL	NIL
(1 00)	Ordinary Shareholders C	NIL	NIL
(1 00)	Ordinary Shareholders D	NIL	NIL
(1 00)	Ordinary Shareholders E	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
(28,082.72)		<u>(19,518.26)</u>	<u>53,503 94</u>
	REPRESENTED BY		
	Bank 1 Current		48,047 60
	Vat Control Account		<u>5,456 34</u>
			<u>53,503.94</u>

APPENDIX II – LIQUIDATORS REMUNERATION AND GUIDE TO PROFESSIONAL FEES

Inquesta Corporate Recovery & Insolvency appoints a Director as an Insolvency Practitioner. In this matter Steven Wiseglass is the appointed office holder.

At Inquesta Corporate Recovery & Insolvency our objectives are -

- To provide a director led, competitively priced service
- To react to our client's needs quickly and efficiently
- To deliver our services on time and in line with our client's expectations
- To provide results of the highest quality

At Inquesta Corporate Recovery & Insolvency we seek to recover fees on a time cost basis. Set out below are the hourly rates with effect from 1 January 2012 -

Rates per hour (£)	
Directors	300 00
Managers	250 00
Other Senior Professionals	200 00
Assistant & Support Staff	150 00

Time is calculated in units of 6 minutes with 10 units equating to an hour of time.

The following rates of disbursements may be charged (also known as category 2 disbursements) -

Item	Rate (£)
Photocopying	0 20 per sheet
Colour Photocopying	0 50 per sheet
Fax	0 50 per sheet
Storage - Standard Box	1 00 per month
Mileage	0 60 per mile
Room Hire	100 00 per meeting

All fees and disbursements are subject to VAT at the prevailing rate.

A creditors guide to fees can be found at <http://www.inquesta.co.uk> a hard copy is available free of charge upon request.

APPENDIX III – TIME COST SUMMARY

Time Entry - SIP9 Time & Cost Summary + Cumulative

A1094 - Brand Newco 453 Limited formerly Eternit Steels Limited
Project Code POST
From 19/11/2015 To 18/11/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Admin & Planning	0 00	0 00	0 00	5 70	5 70	885 00	155 26	23 20	4,500 00
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	3 90	0 00	0 00	15 30	19 20	3,970 00	206 77	47 40	11 365 00
Investigations	5 00	0 00	0 00	0 00	5 00	1 500 00	300 00	23 40	7 020 00
Realisation of Assets	0 50	0 00	0 00	0 50	0 50	150 00	300 00	23 10	6 255 00
Trading	0 00	0 00	0 00	2 00	2 00	300 00	150 00	3 50	525 00
Total Hours / Costs	9 40	0 00	0 00	23 00	32 40	6,805 00	210 03	120 60	29,665 00
Total Fees Claimed						0 00			
Total Disbursements Claimed						0 00			

APPENDIX IV - PROOF OF DEBT

PROOF OF DEBT - GENERAL FORM

Brand Newco 453 Limited	
Date of Winding-Up Order / Resolution for voluntary winding up 19 November 2014	
1	Name of Creditor (If a company please also give company registration number)
2	Address of Creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)
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 in relation to creditor Address of person signing (if different from 2 above)
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Liquidator	Liquidator