

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 04596039

Company name in full Alatas Engineering Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Julian

Surname Pitts

3 Liquidator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode LS1 2HJ

Country

4 Liquidator's name ①

Full forename(s) Nicholas Edward

Surname Reed

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode LS1 2HJ

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ14

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6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d

1

d

1

m

1

m

0

y

2

y

0

y

2

y

1

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Kirran Gibson**

Company name **Begbies Traynor (Central) LLP**

Address **Fourth Floor**

Toronto Square

Post town **Toronto Street**

County/Region **Leeds**

Postcode **L S 1 2 H J**

Country

DX

Telephone **0113 244 0044**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Alatas Engineering Limited
(In Creditors' Voluntary Liquidation)

Final report and account of the liquidation

Period: 21 August 2020 to 9 August 2021

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

This report has been produced during the Covid-19 HM Government restrictions. As a result, our access to information within our physical case files has been limited as our firm has implemented remote working wherever possible in line with HM Government guidance in order to protect its employees and to limit the spread of the virus. Consequently, this report has been prepared from information we are able to access remotely.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Alatas Engineering Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Nicholas Edward Reed of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England & Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	Alatas Engineering
Company registered number:	04596039
Company registered office:	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former trading address:	Unit B Olympic Park, Low Moor, Bradford, BD12 0LP

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	21 August 2017
Date of liquidators' appointment:	21 August 2017
Changes in liquidator (if any):	None

4. PROGRESS SINCE OUR LAST REPORT

This is our final report and account of the liquidation and should be read in conjunction with the progress reports to creditors dated 18 October 2018, 16 October 2019, and 16 October 2020 respectively.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 21 August 2020 to 9 August 2021.

The primary receipt during the period is in the sum of £11,135 and relates to the settlement of the historic overdrawn director loan account. The only other realisation during the period is the sum of £15 which relates to bank interest earned on the funds held in the case bank account.

Against this, a payment of £14,977 has been made to Clarion Solicitors Limited in respect of their outstanding costs for providing advice on various matters throughout the liquidation.

A payment has also been made to Begbies Traynor (Central) LLP in the sum of £66,000 in respect of our fees as liquidators. An additional payment of £117 has been made on account of our expenses incurred during the period. Further details of the same are provided in Section 6 of this report.

A payment of £109 has been made to Restore plc for document storage and archiving in accordance with our statutory obligations.

Finally, a payment of £120 has been made to HMRC in respect of corporation tax.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment.

The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

During the period we have continued to maintain our case files and have documented all relevant decisions taken which may affect the outcome of the Liquidation. We have also continued to prepare regular case reviews to ensure the matter is being progressed appropriately and effectively.

Our document management system has been maintained during the period and any costs in this respect are recorded under this heading. Costs in respect of banking and general file administration are also recorded under this heading.

Whilst no recoveries may be achieved as a direct result of the actions undertaken under the above heading, these actions are important to ensure that our agreed case strategy remains appropriate and to ensure that the Liquidation is being sufficiently progressed.

Compliance with the Insolvency Act, Rules and best practice

During the period, we have prepared and circulated our previous annual report, a copy of which has been made available to creditors and filed with the Registrar of Companies. As we are concluding the liquidation, we have also prepared this report during the period.

We have continued to regularly monitor the statutory bordereau in order to ensure this remains appropriate and the interests of the Company's members and creditors remain fully protected.

The above actions are statutory duties of any office holder and, as such, are an unavoidable cost of the Liquidation.

Investigations

As creditors may recall from our previous reports, our statutory investigations into the affairs of the Company were conducted and concluded in the preceding Administration of the Company. No work has been completed under this heading during the period.

Realisation of assets

As previously advised, during the period the sum of £11,135 has been realised in respect of the overdrawn director loan account. Time has been incurred in reviewing and finalising the position of the loan account during the period.

The only other asset realisation during the period was bank interest, for which minimal time was spent processing the receipt.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditors will recall that in the previous period, we made a distribution to unsecured creditors of 100p in the £ plus statutory interest. Subsequent to this, the position was reviewed and a first and final distribution to the shareholders of the Company was made during the current period. The distribution totalled £48,249.

Significant time has been incurred during the period in liaising with the shareholders of the Company in respect of the distribution.

Following the creditor distribution made in the last period, time has been incurred in this period ensuring that dividends had been banked. In addition, a minimal amount of time has been incurred in responding to creditor queries as and when they have arisen.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures), tax, litigation, pensions and travel

During the period, we have sought the decision of creditors on the approval of our further fees estimate. To comply with our statutory duties, we also sought the decision of creditors on the establishment of a liquidation committee. Time was incurred in liaising with creditors and processing votes.

Our cashiers have reconciled the bank account. corresponded with HMRC regarding corporation tax and VAT, and processed receipts and payments during the period.

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs included in the statement of proposals of the former administrators.

On the basis of realisations to date, the outcome for each class of the Company's creditors is as follows:

Secured creditors

There are no known secured creditors.

Preferential creditors

As a result of the sale of the business and assets of the Company by the former administrators, the employees transferred to the purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006. There are therefore no known preferential creditors.

Secondary preferential creditors

There are no known secondary preferential creditors, as the Company entered liquidation prior to 1 December 2020.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part for unsecured creditors is calculated were provided by the former Administrators in their Statement of Proposals.

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

A dividend of 100p in the £ plus statutory interest was paid to unsecured creditors on 3 August 2020.

As creditors have been paid in full, plus statutory interest, no further dividend is available to creditors and the balance of funds held in the estate has been paid to the Company's members.

6. REMUNERATION & EXPENSES

Remuneration

Our remuneration has been fixed by a decision of the creditors by way of correspondence by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 4 October 2017 in the sum of £34,850 and our further fees estimate dated 16 October 2020 in the sum of £46,150.

This brings the total level of our approved remuneration to £81,000.

We are also authorised to draw expenses, including expenses for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy a copy of which is attached at Appendix 2 of this report.

Our time costs for the period from 21 August 2020 to 11 August 2021 amount to £20,757 which represents 70.40 hours at an average rate of £294.84 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Time Costs Analysis for the period 21 August 2020 to 11 August 2021
- ☐ Begbies Traynor (Central) LLP's charging policy

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

To 11 August 2021, we have drawn the total sum of £81,000 on account of our remuneration, against total time costs of £93,294 incurred since the date of our appointment. In addition to the time costs information disclosed at Appendix 2 for the period since our last progress report, our previous progress reports contained details of the time costs we had incurred as at the date of each report.

Category 1 Expenses

To 11 August 2021, we have also drawn expenses in the sum of £117.

Category 2 Expenses

No Category 2 expenses have been drawn since our last progress report to creditors.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during since our last progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

Creditors will recall from our previous report that we increased our original estimate and advised that we estimated that the expenses of the liquidation would total £44,897.

As can be seen in Appendix 3, the cumulative expenses which have been discharged during the course of the liquidation have not exceeded our further estimate.

8. UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable during the liquidation.

9. OTHER RELEVANT INFORMATION

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Use of personal information

Please note that although it is our intention to conclude the liquidation, in the course of us continuing to discharge our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

This report and account of receipts and payments is our final account of the winding-up, showing how the liquidation has been conducted and details of how the Company's property has been disposed of.

Unless creditors object, by giving notice in writing within 8 weeks of the delivery of the notice of our final account, we will have our release from liability at the same time as vacating office. We will vacate office upon our delivering to the Registrar of Companies our final account.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, Kirran Khan in the first instance, who will be pleased to assist.

A handwritten signature in black ink, appearing to read 'J N R Pitts', with a stylized, cursive script.

J N R Pitts
Joint Liquidator

Dated: 11 August 2021

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 21 August 2020 to 11 August 2021

Cumulatively: 21 August 2017 to 11 August 2021

	From 21/08/2020 To 11/08/2021 £	From 21/08/2017 To 11/08/2021 £
ASSET REALISATIONS		
Bank Interest Gross	15.24	1,604.74
Directors Loan Account	11,134.80	11,134.80
Transfer from Administration	NIL	307,639.41
	<u>11,150.04</u>	<u>320,378.95</u>
COST OF REALISATIONS		
Accountants Fees	NIL	2,050.00
Corporation Tax	119.85	281.48
Debt Collection Fees	NIL	186.13
Director Settlement	NIL	15,972.00
Former Administrators' Fee	NIL	20,471.00
Legal Fees (1)	14,977.00	24,977.00
Liquidators' Expenses	116.76	116.76
Liquidators' Fees	66,000.00	81,000.00
Statutory Advertising	NIL	179.10
Storage Costs	108.80	113.60
	<u>(65,063.00)</u>	<u>(145,347.07)</u>
UNSECURED CREDITORS		
Trade Creditors	<u>(37.50)</u>	<u>126,782.40</u>
	<u>37.50</u>	<u>(126,782.40)</u>
DISTRIBUTIONS		
Ordinary Shareholders	<u>48,249.48</u>	<u>48,249.48</u>
	<u>(48,249.48)</u>	<u>(48,249.48)</u>
	<u>(102,124.94)</u>	<u>0.00</u>

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 21 August 2020 to 11 August 2021; and
- c. Cumulative Time Costs Analysis for the period from 21 August 2017 to 11 August 2021

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This 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 draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 disbursements (approval not required) - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 disbursements (approval required) - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a Category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leeds office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Aljazz Engineering Limited - Creditors Voluntary Liquidation - 80AL610.CVL : Time Costs Analysis From 21/08/2020 To 11/08/2021

[illegible]

[illegible]

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legal fees	Clarion Solicitors Limited	14,977.00	14,977.00	NIL
Storage	Restore plc	108.80	108.80	NIL

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal Fees and Disbursements	Clarion Solicitors Limited	24,977.00
Accountants Fees	Wilkinson & Partners	2,050.00
Statutory Advertising	Courts Advertising Limited	179.10
Storage Costs	Restore plc	113.60
Debt Collection Fees	BTG Advisory	186.13
Director Settlement Costs	MRC Legal Ltd	15,972.00
Corporation Tax	HM Revenue & Customs	281.48