

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

04733258

Name of Company

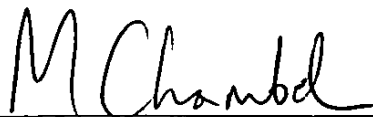
Tate Windows Limited

I, 
Michael Chamberlain
Aireside House
24-26 Aire Street
Leeds
LS1 4HT

the liquidator of the company attach a copy of my  Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 30/06/2011 to 29/06/2012

Signed



Date

28/8/12

Chamberlain & Co
Aireside House
24-26 Aire Street
Leeds
LS1 4HT

Ref 9794/SA/LO

THURSDAY



A40

"A1GFAOV2"

30/08/2012

COMPANIES HOUSE

#36

**Tate Windows Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 30/06/2011 To 29/06/2012
	ASSET REALISATIONS	
5,000 00	Motor Vehicles	NIL
1 00	Book Debts (director's loan account)	NIL
		<u>NIL</u>
	COST OF REALISATIONS	
	Preparation of S of A	NIL
	Liquidator's Remuneration	NIL
	Agents/Valuers Fees	NIL
	Statutory Advertising	NIL
	Insurance of Assets	NIL
		<u>NIL</u>
	PREFERENTIAL CREDITORS	
NIL	Employees - Holiday Pay	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(49,950 44)	Trade & Expense	NIL
NIL	Employees - Redundancy	NIL
(12,495 73)	Banks/Institutions	NIL
(10,315 69)	HM Revenue & Customs - VAT	NIL
(13,111 23)	HM Revenue & Customs - CT	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(2 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(80,874.09)</u>		<u><u>NIL</u></u>
	REPRESENTED BY	
		<u><u>NIL</u></u>



Michael Chamberlain
Liquidator

**TATE WINDOWS LIMITED
(IN LIQUIDATION)**

**Progress Report
pursuant to Section 104A of the Insolvency Act 1986**

**Chamberlain & Co
8 August 2012**

TATE WINDOWS LIMITED IN LIQUIDATION PROGRESS REPORT ON THE OUTCOME OF THE LIQUIDATION

INTRODUCTION

Michael Chamberlain was appointed Liquidator of Tate Windows Limited ("the Company") on 30 June 2011 by the Company's members and creditors pursuant to Section 100 of the Insolvency Act 1986 ("The Act")

Michael Chamberlain is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales

The EC Regulation on Insolvency Proceedings 2000 will apply in this matter and these proceedings will be the main proceedings as defined by Article 3 of the EC Regulation. The Company's registered office and centre of main interests are in the United Kingdom

In accordance with Rule 4.49C of the Insolvency Rules 1986 ("The Rules"), I now set out my progress report on the conduct of the Liquidation.

RECEIPTS AND PAYMENTS ACCOUNT

An abstract of the Liquidator's receipts and payments for the period 30 June 2011 to 30 June 2012 is attached at Appendix 2

All transactions are shown net of VAT

ASSET REALISATION

Statement of affairs

Creditors will recall that the company's realisable assets consisted only of motor vehicles, expected to realise approximately £5,000, and the director's loan account, which showed a book value of £9,351 but the actual realisable value of which was uncertain

The remaining chattel assets, plant and machinery and fixtures and fittings, were estimated to be worth only a nominal sum and therefore no realisable value was reflected in the statement of affairs.

The company's bank account was believed to be overdrawn in the approximate sum of £20,000

Chattel Assets – motor vehicles

The company owns 2 motor vehicles, previously subject to hire purchase agreements but now unencumbered

- Ford Transit 350 LWB Diesel RWD High Roof Van, with 90,000 miles on the clock, registration YD04 MMK
- Mercedes Sprinter 309CDI MWB Van, with 70,000 miles on the clock, registration P7ATE

The agent initially valued the vehicles at £1,000 and £4,000 respectively, if sold ex-situ. This was revised to £4,000 upon further inspection. The private registration number P7ATE could also be of some value. However, it was believed that the plate belonged to the director's son

The director made an offer of £4,000 plus VAT which was accepted on 1 August 2011 however payment was not received in line with the contract. I was subsequently contacted by a third party who also expressed an interest in the vehicles. However, despite the third party's expression of interest, scheduled meetings were adjourned, correspondence remains unanswered and neither the director nor the third party has committed to the purchase, which has prevented the liquidator from progressing the matter further.

The liquidator has therefore considered the advantages and disadvantages of instructing his agent to recover the vehicles so that they could be sold at auction. The liquidator has previously been reluctant to pursue this course of action on account of the costs involved in the recovery and sale of the vehicles, which would diminish any return to the liquidation estate.

In a final attempt to minimise the agent's costs, discussions were entered into with the director to finalise a sale. Whilst the director resubmitted his initial offer, he proposed to pay by deferred terms, which I rejected as it would take in excess of another year for the agreed contract price to be paid in full. I have advised the director that should payment in full should not be received by 31 August 2012 the vehicles will be recovered and sold at auction.

If the sale of the motor vehicles to the director concludes satisfactorily, as the assets of the Company will be acquired by an associate of the company, I will be required to provide the following information in accordance with Statement of Insolvency Practice 13.

- | | |
|-------------------------------|--|
| • Nature of transaction | Private treaty sale |
| • Assets involved | Motor vehicles, Ford Transit YD04 MMK and Mercedes Sprinter P7ATE |
| • Date of transaction | To be confirmed |
| • Date consideration received | To be confirmed |
| • Consideration | £4,000 plus VAT |
| • Counterparty | Andrew John Tate |
| • Counterparty relationship | former director and shareholder of the Company |
| • Independent advice | I am not aware whether the purchaser has sought or received any independent advice |

Book debts – director's loan account

As at 30 April 2009, the last filed accounts, the director's loan account showed a balance of £9,351 as being due to the company from the director, which the director considered should be valued at £1 in the statement of affairs as he was of the opinion that he was also a creditor of the Company. However, the company accountant provided information that suggested the loan account could be in excess of £98,000 as at 30 April 2010 and a trial balance as at October 2010 recorded a figure of £172,739.57 as being attributable to the director's loan account. Legitimate business expenses paid for by the director personally in the sum of £20,000 could be offset against the loan account balance.

A review of the company's Lloyds TSB bank statements revealed that between September 2009 and March 2010 the director had spent approximately £75,000 of the company's money in various gambling establishments. This is in addition to his drawings of in excess of £25,000 for the year to June 2010. The company's bank account was almost consistently overdrawn from 19 October 2009 to the cessation of trade.

During a telephone conversation on 17 October 2011, the director's brother, Martin Tate ("MT"), also informed the liquidator that he had lent the director (not the company) £58,000 and that weekly payments of £500 from the company's account were made to him. Accordingly, these payments, starting in June 2010 and lasting 26 weeks and totalling approximately £13,000, should also be added to the director's loan account. The director has granted his brother a legal charge over his personal property in this regard.

While MT can provide a schedule of payments and receipts there is no formal loan document.

There are signs of the company suffering financial distress years before the appointment of a liquidator, including

- payment reminders from suppliers as early as August 2008
- HM Revenue & Customs VAT surcharge period, which commenced in April 2008 and continued to at least April 2011
- PAYE, NIC and Corporation Tax debts appear to date as far back as April 2008
- Turnover for the year ended April 2009 had decreased 15% in comparison to the previous year
- The Company's balance sheet for the 4 years to 30 April 2009 shows a significant decline in the Profit and Loss reserve, as follows:

Year ended	P&L reserve
30 April 2006	£9,990
30 April 2007	£6,302
30 April 2008	£912
30 April 2009	£12

- Newsquest issued a final notice before court action on 25 January 2010
- outstanding VAT of £10,449.93 in March 2010
- claims of certain trade creditors date back to early March 2010
- demand for payment of VAT in the sum of £6,672.64 dated 17 December 2010

While there is evidence of misfeasance and potential wrongful trading as well as failure to exercise due care and failure to comply with his fiduciary duty, if the director is to be held accountable for the significant loss to the business, it is unclear that there will be any recovery from him personally. His personal property is charged to National Westminster Bank Plc, Lloyds TSB Bank Plc, Martin Tate and James Khan (unilateral notice) and may be in negative equity.

Furthermore, the company's overdraft facility has been personally guaranteed by the director and in a telephone conversation on 26 September 2011 he advised that he had made arrangement with Lloyds TSB Bank Plc to repay the sum

No further asset realisations have been made.

REMUNERATION

I have yet to raise a bill in respect of my fee for assisting the director with the preparation of the statement of affairs and the convening of the meetings of creditors and shareholders necessary to place the company into liquidation. However, a fee of £3,500 plus VAT plus disbursements has been agreed by both shareholders and creditors. Additionally, where asset realisations prove insufficient to discharge this sum in full, the director has given a personal guarantee in respect of any shortfall.

It was proposed and agreed at a meeting of creditors held on 30 June 2011 that the Liquidator be remunerated on a time cost basis in accordance with Rule 4.127 (2) (B) of The Rules

In accordance with the revised Statement of Insolvency Practice 9 which came into force on 6 April 2010, a summary of time costs incurred for the period 30 June 2011 to 30 June 2012 is appended to this report. These costs were approximately £8,223.50 at an average hourly rate of £177. In common with all professional firms our scale rates increase from time to time over the period of administration of each insolvency case. I have drawn no amounts on account of my remuneration. A schedule of my firm's chargeout rates and charging policy is attached at Appendix 3.

My disbursements total £268 and comprise the following.

Disbursement	Payee	Amount (£)
Specific Bond	Marsh Limited	60.00
Search Fees	Companies House	6.00
	Land Registry	4.00
Statutory Advertising	Courts Advertising Limited (all of which represents advertisements placed in the London Gazette)	198.00

The company's motor vehicles are being insured as an expense of the liquidation but I have yet to receive an invoice in this regard.

All disbursements have been recharged to the liquidation at cost.

I should advise you that, in accordance with Rule 4.131 of The Rules, creditors have the right to request that the liquidator provides further information about his remuneration and expenses incurred during the administration of the liquidation. The request must be made in writing, within 21 days of receipt of this report, and can be made by a secured creditor or an unsecured creditor with the concurrence of at least 10% in value of unsecured creditors or with the permission of the court. Furthermore, creditors have the right to challenge the liquidator's remuneration and expenses by application to the court within 8 weeks of receiving this report.

OTHER PAYMENTS

At the commencement of the insolvency proceedings, I instructed Eddisons Commercial of Leeds to carry out a valuation of the company's motor vehicles. While I have yet to pay Eddisons in connection with their valuation it is anticipated that their invoice will be in the region of £350 plus VAT. The basis of Eddisons' fee arrangement is on an hourly rate.

I consider Eddisons to be a firm of repute with appropriate expertise in their field. My experience of working with this firm indicates that their internal delegation results in charges, which are cost-effective for this kind of work.

All other payments have been made in accordance with the rules and regulations generally as to the payment of costs and expenses of winding up.

PRESCRIBED PART

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to Section 176A of The Act. The prescribed part applies to floating charges created on or after 15 September 2003.

There is no floating charge and therefore the prescribed part is not applicable in this case.

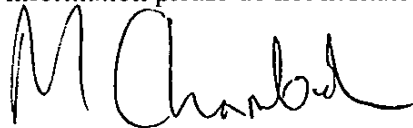
CREDITORS' CLAIMS

I have yet to receive any claims from preferential creditors although it is understood that the director was the sole employee.

I have received claims from 5 of 16 non-preferential creditors totalling £58,115.46. Claims from non-preferential creditors have not been admitted to rank for dividend purposes as there are insufficient funds within the liquidation to declare a dividend to any class of creditor.

OTHER MATTERS

I shall report to you further once I am in a position to conclude my administration of this liquidation, or if earlier, the next anniversary. If in the meantime you require any further information please do not hesitate to contact me.

A handwritten signature in black ink, appearing to read 'M Chamberlain', written in a cursive style.

M Chamberlain
Liquidator

APPENDIX 1

The liquidator appends below the following additional information required under Rule 4.49C of the Insolvency Rules 1986:

Statutory Information

Company Name:	Tate Windows Limited
Company Number:	04733258
Registered Office:	c/o Chamberlain & Co, Aireside House, 24/26 Aire Street, Leeds, LS1 4HT previously 99 Tinsill Road, Leeds, LS16 7DN
Liquidator:	Michael Chamberlain
Liquidator's Address:	Aireside House 24/26 Aire Street Leeds LS1 4HT
Date of Appointment:	30 June 2011

APPENDIX 2

RECEIPTS AND PAYMENTS ACCOUNT

**Tate Windows Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 30/06/2011 To 30/06/2012	From 30/06/2011 To 30/06/2012
	ASSET REALISATIONS		
5,000 00	Motor Vehicles	NIL	NIL
1 00	Book Debts (director's loan account)	NIL	NIL
		NIL	NIL
	COST OF REALISATIONS		
	Specific Bond	60 00	60 00
	Preparation of S of A	NIL	NIL
	Liquidator's Remuneration	NIL	NIL
	Search Fees	10 00	10 00
	Agents/Valuers Fees	NIL	NIL
	Irrecoverable VAT	39 60	39 60
	Statutory Advertising	198 00	198 00
	Insurance of Assets	NIL	NIL
		(307 60)	(307 60)
	PREFERENTIAL CREDITORS		
NIL	Employees - Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(49,950 44)	Trade & Expense	NIL	NIL
NIL	Employees - Redundancy	NIL	NIL
(12,495 73)	Banks/Institutions	NIL	NIL
(10,315 69)	HM Revenue & Customs - VAT	NIL	NIL
(13,111 23)	HM Revenue & Customs - CT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(80,874.09)		(307.60)	(307.60)
	REPRESENTED BY		
	Office		(307 60)
			(307 60)



Michael Chamberlain
Liquidator

Chamberlain & Co**TIME & CHARGEOUT SUMMARIES**

Tate Windows Limited

30/06/2011 to 30/06/2012

HOURS

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	4 60	2 90	7 95	2 55	18 00	3,264 50	181 36
Investigations	1 20	4 30	12 40	0 00	17 90	3,038 00	169 72
Realisation of Assets	0 20	2 90	2 00	0 00	5 10	972 00	190 59
Trading	0 00	0 90	0 00	0 00	0 90	198 00	220 00
Creditors	0 70	0 20	3 50	0 15	4 55	751 00	165 05
Total Time Cost	1,976 50	2,464 00	3,567 00	216 00		8,223 50	
Total Hours	6 70	11 20	25 85	2 70	46 45		
Average Rate	295 00	220 00	137 99	80 00			

Total Fees Claimed	0 00
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Statement of Liquidator's Remuneration Pursuant to Statement of Insolvency Practice No.9

Charging and Disbursement Policy

Liquidator's charging policy for fees

The Insolvency Rules 1986 provide that the Liquidator's remuneration may be fixed on the basis of time properly spent by the Liquidator and his staff in attending to matters arising in the Liquidation

The Liquidator has engaged managers and other staff to work on the Liquidation. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by cashiers dealing with the company's bank accounts and statutory compliance diaries, and other support services and filing clerks. Work carried out by all staff is subject to the overall supervision of the Liquidator.

All time spent by staff working directly on case-related matters is charged to a time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The basis of charging is in six minutes units. The hourly rate for each category of staff over the duration of the liquidation is shown below.

Grade	£ per hour 01/09/10	£ per hour 01/09/11
Directors	275-295	275-295
Managers	185-220	185-220
Other Senior Professionals	110-155	110-155
Assistants and Support Staff	75-95	75-95

A copy of the R3 (Association of Business Recovery Professionals) creditors' guide to Liquidator's fees may be obtained by contacting Louise Outram at the above address or at www.r3.org.uk

Liquidator's charging policy for disbursements

Statement of Insolvency Practice No 9 divides disbursements into two categories

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is my firm's policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. I am prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration. It is not my firm's current policy to charge Category 2 disbursements. However were this to change, I would seek approval for Category 2 disbursements before they are drawn in line with the Statement