

Section 106

# Return of Final Meeting in a Creditors' Voluntary Winding Up

**S.106**

Pursuant to Section 106 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04940054

Name of Company

(a) Insert full name  
of company

(a) Active Colour Limited

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

I (b) Lisa Alford

Purnells, Treverva Farm,  
Treverva, Penryn, Near Falmouth,  
Cornwall, TR10 9BL

(c) Delete as applicable  
(d) Insert date(e) The copy account must be  
authenticated by the written  
signature(s) of the  
Liquidator(s)

1 give notice that a general meeting of the company was duly (c) ~~held on~~  
[summoned for] (d) 21 April 2015 pursuant to Section 106 of the  
Insolvency Act 1986, for the purpose of having an account (of which a copy  
is attached) (e) laid before it showing how the winding up of the company has  
conducted and the property of the company has been disposed of and (c) ~~that~~  
~~the same was done accordingly~~ [no quorum was present at the meeting],

2. that a meeting of the creditors of the company was duly (c) [held on]  
[summoned for] (d) 21 April 2015 pursuant to Section 106 of the Insolvency  
Act 1986, for the purpose of having the said account laid before it showing  
how the winding up of the company has been conducted and the property of the  
company has been disposed of and (c) [that the same was done accordingly]  
[no quorum was present at the meeting];

(f) Insert Venue of the  
meeting

The meeting was held at (f) Purnells, Treverva Farm, Treverva, Penryn, Nr  
Falmouth, Cornwall, TR10 9BL

The winding up covers the period from (d) 9 August 2013 (opening of winding  
up) to (d) 21 April 2015 (close of winding up) ✓

The outcome of the meeting (including any resolutions passed) was as follows.

The Joint Liquidator's report and receipts and payments account  
was noted in accordance with Section 94 of the 1986 Insolvency  
Act

The Joint Liquidator's vacated office in accordance with Section  
171 (6) (a) and Section 94 (3) of the Insolvency Act 1986.

Signed.



Date 23 April 2015

Presenter's name address  
And reference (if any) As Above

WEDNESDAY



A29 29/04/2015 #102  
COMPANIES HOUSE

Active Colour Limited (the "Company")

Report of the Joint Liquidators for the period from the commencement of  
the Creditors Voluntary Liquidation on 09 August 2013 to 21 April 2015,  
the Date the Final Meetings of Members and Creditors was held

1. Introduction

I was appointed as Joint Liquidator of the above named company on 09 August 2013 by both the shareholders and the creditors.

This is my final report to creditors. There have been no changes in office holders during the period.

A. The Company Registered Office is as follows:-

Purnells  
Treverva Farm  
Treverva  
Penryn, Near Falmouth  
Cornwall  
TR10 9BL

B. The registered number of the company is:

04940054

2. Realisation of Assets

2.1 A Receipts and Payments Account is attached at Appendix 1.

2.2 That Receipts and Payments Account compares the actual realisations made to date with the estimated realisations set out in the original statement of affairs sworn by the director of the company.

In relation to that comparison the main points to note are as follows:

Equity In Ford Transit Van

The Company had a Ford Transit Van, which was subject to a finance agreement with Lombard.

No sums were recorded as being realisable in respect of this vehicle in the directors' statement of affairs, as Lodge & Thomas Chartered Surveyors had indicated prior to the creditors meeting that they did not expect there to be any equity on sale.

This vehicle was collected by Lombard following the s98 creditors meeting and as anticipated, no sums have been realised in that regard.

### Equity in Renault Van

The Company had a Renault Van, which was subject to a finance agreement with Renault Finance.

No sums were recorded as being realisable in respect of this vehicle in the directors' statement of affairs, as Lodge & Thomas Chartered Surveyors had indicated prior to the creditors meeting that they did not expect there to be any equity on sale.

No sums were ultimately realised in connection to this vehicle as it transpired that the agreement with Renault Finance was that of contract hire. As such, title to this vehicle remained with Renault Finance and it was collected by them accordingly.

### Equity in Volkswagen Van

The Company had a Volkswagon Van, which was subject to a finance agreement.

No sums were recorded as being realisable in respect of this vehicle in the directors' statement of affairs, as Lodge & Thomas Chartered Surveyors had indicated prior to the creditors meeting that they did not expect there to be any equity on sale.

As with the Renault Van, no sums were ultimately realised in connection to this vehicle as it transpired that the agreement with Network was that of contract hire. As such, title to this vehicle remained with Network and it was collected by them accordingly.

### Debtors

The Company's debts were factored through Lloyds TSB Commercial Finance. At the time of the creditors meeting the sum of £11,091 was expected to be realised in the liquidation once Lloyds had been repaid in full, as follows:

	<u>£</u>
Debtors	108,932
<u>Less: 10% Bad Debt Provision</u>	(10,893)
	-----
	98,039
<u>Less: Lloyds Commercial Finance</u>	(86,948)
	-----
<u>Estimated to Realise</u>	11,091
	=====

Lloyds TSB Commercial Finance subsequently confirmed that no residual debts would in fact be assigned to the

liquidation as the debtors' ledger then stood at £5,469 however their outstanding fees totalled £12,781.

It follows therefore that no sums have been realised in respect of the outstanding trade debtors.

#### Surplus Funds From Sale of Assets

Prior to the s98 creditors meeting the following assets were sold to FC Fund Managers:

	<u>£</u>
Heidelberg & Press	115,000
<u>Less: City Business Finance</u>	(80,400)
	-----
<u>Total Surplus</u>	34,600
	=====

The surplus funds were held in a client account with Lodge & Thomas Chartered Surveyors for the benefit of the Liquidation and the sum of £27,975 was recorded as being realisable in that regard in the directors' statement of affairs, as follows:

	<u>£</u>
Surplus Funds From Sale of Assets	34,600
<u>Less: Agents Fees</u>	(8,625)
	-----
<u>Per Statement of Affairs</u>	27,975
	=====

Creditors should please note that due to an unfortunate addition error in the directors statement of affairs the anticipated realisations were overstated by £2,000 (£34,600 - £8,625 = £25,975).

The sum of £25,975 is therefore recorded as having been realised in the Receipts and Payments Account at Appendix 1.

#### Vehicle, Stock, Fixtures & Fittings and Plant & Machinery

The Company's unencumbered vehicle, plant, machinery, fixtures and fittings were uplifted by Lodge and Thomas Chartered Surveyors for safe-keeping prior to the creditors meeting.

As at the date of liquidation no formal valuation of these assets had been obtained, however it was estimated that the sum of £4,000 might be realisable in connection to these assets, as follows:

	<u>£</u>
Vehicle	1,500
Stock, Fixtures, Fittings, Plant & Machinery	2,500
	-----
	4,000
	=====

Following the s98 creditors meeting, these assets were sold at auction. The sum of £2,207 was realised in that regard, which is recorded separately in the Receipts and Payments Account at Appendix 1.

### Investigation

The Joint Liquidators have undertaken work in accordance with Statement of Insolvency Practice 2 (A Liquidators Investigations into the Affairs of an Insolvent Company).

The Joint Liquidator's have now concluded their investigations and no pursuable claims were identified in this regard.

## 3. Costs of the Liquidation

- 3.1 The Receipts and Payments Account at Appendix 1 sets out details of the payments made to date.
- 3.2 An analysis of the Joint Liquidators' costs and other information in accordance with SIP9 (Statement of Insolvency Practice Number 9) is set out at Appendices 2 to 5.
- 3.3 The amount of remuneration charged between 8 August 2014 and the date of this report is £10,728.

## 4. Dividends

### Secured Creditors

Lloyds TSB Commercial Finance holds a fixed charge over the Company's trade debts.

It is anticipated that Lloyds will suffer a shortfall under their fixed charge of circa £7,300 however no proof of debt has been lodged with the liquidation in that regard.

Lloyds Bank hold a floating charge over the assets of the Company and Lloyds TSB Commercial Finance hold a fixed and floating charge over the assets of the Company. A dividend has not become payable to Lloyds under either charge.

### Preferential creditors

Crown preference was abolished with regard to PAYE and VAT on all insolvencies commencing on or after the 15<sup>th</sup> September 2003 following the introduction of the corporate provisions of the Enterprise Act 2000.

Claims were submitted to the Redundancy Payments Office in respect of the former employees' arrears of wages, holiday pay, notice pay and redundancy pay.

The Redundancy Payments Office has lodged a preferential claim in the liquidation in the sum of £10,652 however asset realisations have been insufficient to enable a dividend to be paid to the preferential creditors.

### Unsecured Creditors

Unfortunately, asset realisations have been insufficient in this liquidation to enable a dividend to be paid to the unsecured creditors.

## 5. Destruction Of Books And Records

In accordance with Regulation 16 of the Insolvency Regulations 1994, the books and records of the company will be destroyed one year after the dissolution of the company.

In accordance with Regulation 13 of the Insolvency Practitioners Regulations 2005, my case files relating to this liquidation will be destroyed on 21 April 2021.

## 6. Conclusion

All aspects of this insolvency have been concluded. In accordance with Section 171 6 (b) and Section 106 (3) of the Insolvency Act 1986, the Joint Liquidators shall vacate office once the meetings of shareholders and creditors have taken place and the report of those final meetings have been lodged with the Registrar of Companies.



Lisa Alford, MABRP, MIPA  
Joint Liquidator

Dated: 21 April 2015

Purnells  
Treverva Farm  
Treverva  
Penryn, Near Falmouth  
Cornwall  
TR10 9BL

**Active Colour Limited (the "Company")**

**Index to Appendices**

1. Full Receipts and Payments Account.
2. Summary of the Joint Liquidators' receipts and payments for the period from 9 August 2013 to 21 April 2015.
3. Explanation of the Office Holders time charging policies.
4. Analysis of time spent by the Joint Liquidators.
5. Schedule of applicable charge out rates.

## Liquidator's Statement of Account

Statement showing how winding up has been concluded

Name of Company: **Active Colour Limited**

From **09 August 2013** (commencement of winding up)

	Statement of Assets And liabilities	Receipts
	£	£
<b>Receipts:-</b>		
Cash at Bank		
Cash in Hand		
Marketable Securities		
Sundry Debtors	11,091	Nil
Stock in Trade		
Work in Progress		
Freehold Property		
Leasehold Property		
Plant & Machinery	27,975	25,975
Furniture, Fittings etc	2,500	1,257
Motor Vehicles	1,500	950
Patents Trademarks etc		
Investments other than marketable securities		
Surplus from Securities		
Unpaid calls at commencement of winding up		
Amount received from calls on contributories made in the winding up		
Receipts per trading account		
Other property viz:		
Lloyds Bank Refund		67
Insurance Refund		89
BT Refund		270
Citroen Finance Refund		294
VAT REFUNDS		
BANK INTEREST		7
VAT OUTPUT TAX		
£	43,066	28,909
	£	£
<b>Less:</b>		
Payments to redeem securities		
Costs of Execution		
Payments per trading act		
Net realisations	£ 43,066	28,909



# Creditors' Voluntary winding-up

And the property of the company has been disposed of

To 21 April 2015 (close of winding up)

				Payments
				£
Cost of Solicitor to Liquidator				
Other Law Costs				
Liquidator's remuneration				21,801
Where (% on £ realised)				
Applicable (% on £ distributed)				
By whom fixed: TIME COSTS - CREDITORS				
Statement of Affairs Fee				5,000
Liquidator's Fees re closure				714
Payments made in the course of trading carried on by the Liquidator				
				516
Auctioneer's and Valuer's charges				170
Costs of possession and maintenance of estate				221
Costs of notices in Gazette and Local Paper				351
Adam White Refund				
VAT INPUT TAX				136
Incidental outlay				
				28,909
Total Costs and Charges				£
(1)	Debenture Holders:			£
	Payments of £	per £	debenture	
	Payments of £	per £	debenture	
	Payments of £	per £	debenture	
	Payments of £	per £	debenture	
				£
(11)	Creditors:			
	Preferential (9)			
	Unsecured (79)			Nil
	Preferential Dividends of	in £	Nil	Nil
	Unsecured Dividends of	in £	Nil	
Value of Net Property				
Interest Paid				
(The estimate of amount expected to rank for dividend was £ )				
(111)	Returns to Contributories			£
	+	per £	share	
	+	per £	share	
	+	per £	share	
				£
				28,909

(1) Assets including NIL shown in the statement of assets and liabilities and estimated to be of the value of £NIL proved to be unrealisable.


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(2) State amount paid into the Insolvency Services Account in respect of:-

- (a) unclaimed dividends payable to creditors in the winding up. £NIL
- (b) other unclaimed dividends in the winding up. £NIL
- (c) Moneys held by the company in trust in respect of dividends or other sums due before the commencement of the winding up to any person as a member of the company.

(3) Add here any special remarks the liquidator thinks desirable:-

Dated: 21 April 2015

Signed (by the liquidator) 

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Name and address of Liquidator (IN BLOCK LETTERS)

LISA ALFORD  
PURNELLS  
TREVERVA FARM  
TREVERVA  
PENRYN, NEAR FALMOUTH  
CORNWALL  
TR10 9BL

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Appendix 2

Active Colour Limited (the "Company")

Summary Receipts and Payments account for the period from the 9 August 2014 to 21 April 2015, the date of the final meetings of members and creditors

	<u>Estimated Value Of Assets Per Statement Of Affairs</u>	<u>From 09/08/2014 To 21/04/2015</u>	<u>Cumulative</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<b><u>Receipts</u></b>			
Equity in Ford Transit	N11	N11	N11
Equity in Renault Van	N11	N11	N11
Equity in Volkswagen Van	N11	N11	N11
Debtors	11,091	N11	N11
Surplus Funds From Sale Of Assets	27,975	N11	25,975
Stock, Vehicle, F&F, P&M	4,000	N11	2,207
	-----	---	-----
	43,066	N11	28,182
	=====		
<b><u>Other Receipts</u></b>			
Lloyds Refund		N11	67
Insurance Rebate		N11	89
BT Refund		N11	270
Citroen Finance Refund		294	294
Bank Interest		2	7
		---	-----
<b><u>Total Receipts</u></b>		296	28,909
		===	=====
<b><u>Payments</u></b>			
Statement of Affairs Fee		N11	5,000
Liquidators Fees		10,014	21,801
Liquidators Fees re closure		714	714
Category 1 Disbursements:			
Mail Redirection		N11	120
Advertising		56	221
Bordereau		N11	120
Travel Expenses		N11	9
Company Searches		N11	7
Adam White Refund		N11	351
Bank Charge		N11	50
Category 2 Disbursements		N11	N11
Agents Fees		N11	516
VAT Reclaimable		(486)	N11
		-----	-----
		10,298	28,909
Balance at Bank		(10,002)	N11
		-----	-----
<b><u>Total Payments</u></b>		296	28,909
		=====	=====

### Appendix 3

Active Colour Limited (the "Company")  
Report to Creditors in Accordance with  
Statement of Insolvency Practice Number 9 (SIP 9)

1. Explanation of the Office Holders Time Charging Policies

- 1.1 Hourly charge out rates are reviewed on the 31<sup>st</sup> March each year in line with Purnells year end.
- 1.2 Each staff member records in units of six minutes and analyses that time into the categories shown below at paragraph 4.
- 1.3 Each staff member has his or her own grade and hourly charge out rate.

2. Explanation of the Office Holders Policies in relation to Disbursements

- 2.1 SIP 9 distinguishes between "Category One" and "Category Two" disbursements.
- 2.2 Category one disbursements includes specific expenditure related to the administration of this insolvency matter where such sums are paid to third parties. In accordance with SIP 9 no separate approval process is required for "category one" disbursements.
- 2.3 Category two disbursements are those, which are not specific to this particular insolvency matter, but are more in the nature of shared or allocated costs.

No category two disbursements were charged in this Liquidation.

3. Analysis of time Spent

- 3.1 Appendix 4 sets out an analysis of the hours and cost of that time spent since our appointment on this particular matter.
- 3.2 Those costs into the following categories:
  - Administration & Planning
  - Realisation of assets
  - Creditors
  - Investigation
  - Trading

4. Explanation of what time is allocated to each of the above Five "Categories" of analysis

#### 4.1 Administration and Planning

- 4.1.1 Preparation of minutes of first meeting and filing of appointment documentation.
- 4.1.2 Notification of appointment to creditors and other interested parties.
- 4.1.3 Case set up on micro-controller computer system and setting up a detailed case record book with related files.
- 4.1.4 Personalising all procedures and work instructions to this particular case to include those instructions relating to:
  - record keeping
  - communication and control relating to secured and preferential creditors
  - control process for the realisation of assets
  - the obtaining of insurance and bordereau cover
  - the control of debtor collections
  - the control of obtaining proofs of debts from creditors
  - the process for agreeing employee claims
  - the identification, review and storage of client records
  - the maintenance of client cash books, bank accounts and related VAT and tax matters
  - a definition as to the review process to be followed
  - the investigation required
  - control of the closing process
  - information needed to be retained following closure
  - the preparation and circularisation of annual and closing reports to creditors
  - the maintenance of records of time spent and disbursements paid.
- 4.1.5 Reviewing documentation and other available information and determining the initial strategy upon appointment.
- 4.1.6 Maintaining the bank accounts and recording all transactions. Reconciliation of those accounts and preparation of periodic Receipts and Payments account summaries.
- 4.1.7 Undertaking a review of the case at two monthly intervals.

#### 4.2 Realisation of Assets

- 4.2.1 Maintaining control totals over trade and other debtors outstanding and all processes involved in the collection in of those debts.
- 4.2.2 Determining and realising the amount of interest in any freehold and leasehold properties.
- 4.2.3 Determining and realising, with the assistance of valuers and auctioneers the interest in any vehicles, office equipment, plant and other equipment, stock and work in progress.
- 4.2.4 Legal actions to realise assets.

#### 4.3 Creditors

- 4.3.1 Requesting forms of proof of debt.
- 4.3.2 Checking and recording those forms when received.
- 4.3.3 Disputing certain proofs and negotiating an agreed figure.
- 4.3.4 Chasing for outstanding proofs.
- 4.3.5 Reviewing and dealing with creditors claiming reservation of title.
- 4.3.6 Completing Inland Revenue form P35 and VAT form 100 and pursuing such claims.
- 4.3.7 Checking the validity of any security said to be held by a creditor who claims to hold:
  - a legal charge
  - an equitable charge
  - or on Hire Purchase
  - or Leasing Agreements
- 4.3.8 Calculating and paying dividends to creditors.

#### 4.4 Investigation

Reviews to determine whether or not any further assets existed over and above those disclosed by the debtor.

#### 4.5 Trading

Monitoring and controlling trading activities of the business where the Liquidator has an involvement in any such trading.

5. **Creditors Rights**

- 5.1. Secured Creditors and Unsecured Creditors with the concurrence of at least 5% in value of the Unsecured Creditors, including the creditor in question, have the right under Rule 4.49E of the Insolvency Rules 1986 to request further information about remuneration or expenses set out in this progress report. The request must be made within 21 days of receipt of the draft report.
- 5.2. Secured Creditors and Unsecured Creditors with the concurrence of at least 10% in value of the Unsecured Creditor, including that creditor, or with the permission of the court, have the right under Rule 4.131 of the Insolvency Rules 1986 to challenge the Liquidator's remuneration, no later than 8 weeks following receipt of the draft report.

Active Colour Limited (the "Company")

Analysis Of Time Spent By The Joint Liquidators

I was appointed as Joint Liquidator of the above named Company on 9 August 2013. From that date to 21 April 2015, 124.6 hours of time has been spent on this matter at a time cost of £21,801.

The average cost per hour is therefore £174.97 and an analysis of that time is attached.

Fees actually drawn as per Appendix 1 are as follows:

	<u>£</u>
Liquidators Fees	21,801
	=====

The Liquidator's remuneration is calculated by reference to time properly spent in the conduct of the winding up as approved by creditors at the creditors meeting held on 9 August 2013.

The Liquidators have under recovered their pre-appointment time costs by £9,925, as follows:

	<u>£</u>
Total Pre-Appointment Time Costs	14,925
<u>Less:</u> Statement of Affairs Fee	(5,000)
	-----
<u>Under-Recovered Time Costs</u>	9,925
	=====

Under Statement of Insolvency Practice number 9 the Liquidator is required to state what has been achieved in the liquidation and in that connection, the Liquidators have:

1. Undertaken their investigations into the financial affairs of the Company,
2. Completed their statutory reporting requirements as regards the conduct of the directors,
3. Corresponded with creditors,
4. Instructed agents to deal with the sale of the Company's assets,
5. Reviewed and validated the retention of title claims that were received to the liquidation,
6. Submitted the employees claims to the Redundancy Payments Office,



7. Corresponded with Lloyds TSB Commercial Finance regularly as regards the progress that was being made with their debt collections,
8. Prepared and circulated their first annual report to creditors, and
9. Prepared their final report to creditors.

	PARTNER	MANAGER	SENIORS	ADMINISTRATION/STAFF	TIME TRANSFER	TOTAL HOURS	TIME COST	AVERAGE HOURLY RATE
PRE-APPOINTMENT		22.5	3.6	64.9		91	14925	164.01
ADMINISTRATION AND PLANNING		0.6	17.3	16.4		34.3	5479	159.74
REALISATION OF ASSETS		0.2	1.3	15		16.5	2245	136.06
CREDITORS		0.8	13.8	44.7		59.3	9940	167.62
INVESTIGATION		0.2	13.9	0.4		14.5	4137	285.31
TOTALS								
HOURS		24.3	49.9	141.4		215.6		
COST		7047	12785	16894			36726	
AVERAGE HOURLY RATE		290	256.21	119.48				170.34
Less Pre-Appointment Time Costs						-91	-14925	
Post Appointment Time Costs						124.6	21801	174.97

**Appendix 5**

**Active Colour Limited (the "Company")**

**Schedule of Applicable Charge Out Rates**

	<u>£</u>
Licensed Insolvency Practitioners	290
Managers	170 - 290
Seniors	110 - 180
Administration Staff	90 - 120