

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

5121058

Name of Company

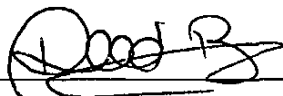
Abbachem (Holdings) Limited

I / ~~We~~
Roderick Graham Butcher
79 Caroline Street
Birmingham
B3 1UP

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 19/07/2011 to 18/07/2012

Signed



Date

26/7/12

Butcher Woods
79 Caroline Street
Birmingham
B3 1UP

Ref 0943/DRT/AW

SATURDAY



Abbachem (Holdings) Limited
(In Liquidation)
's Abstract of Receipts & Payments

| Statement of Affairs | | From 19/07/2011 To 18/07/2012 |
|----------------------|-----------------------------|----------------------------------|
| | ASSET REALISATIONS | |
| | Stock | 24,790 22 |
| 7,566 00 | Book Debts | 1,666 57 |
| 2 00 | Cash at Bank | 3 78 |
| 36,456 00 | Associated Company | NIL |
| | | <u>26,460 57</u> |
| | COST OF REALISATIONS | |
| | Legal Fees (1) | 1,975 00 |
| | Statutory Advertising | 229 50 |
| | | <u>(2,204 50)</u> |
| | UNSECURED CREDITORS | |
| (206,391 00) | Trade & Expense Creditors | NIL |
| | | <u>NIL</u> |
| | DISTRIBUTIONS | |
| (486,000 00) | Ordinary Shareholders | NIL |
| | | <u>NIL</u> |
| <u>(648,367 00)</u> | | <u><u>24,256.07</u></u> |
| | REPRESENTED BY | |
| | Vat Receivable | 440 90 |
| | Bank 1 Current | 23,815 17 |
| | | <u>24,256.07</u> |

Your Reference

Our Reference BWCR/DRT/0908/Annual

When telephoning please ask for Dan Trinhnam

Butcher Woods

CORPORATE RECOVERY

79 Caroline Street, Birmingham B3 1UP
Tel 0121 236 6001 Fax 0121 236 5702

24 July 2012

To all known members and creditors

Dear Sirs

ABBACHEM (HOLDINGS) LIMITED IN LIQUIDATION

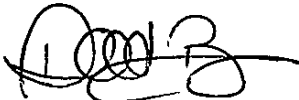
This is my report to members and creditors following the end of the first year of the liquidation. My report follows and should be read in conjunction with my report dated 19 July 2011.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

If members or creditors have any queries regarding this report or the conduct of the liquidation in general, they should contact Dan Trinhnam on 0121 236 6001.

Yours faithfully
For Abbachem (Holdings) Limited



R G Butcher
Liquidator

Enclosure

ABBACHEM (HOLDINGS) LIMITED IN LIQUIDATION

Liquidator's annual report

STATUTORY INFORMATION

| | |
|----------------------------------|--|
| Company name | Abbachem (Holdings) Limited |
| Registered office | 79 Caroline Street, Birmingham, B3 1UP |
| Former registered office | 101 Woden Road West, Kings Hill, Wednesbury, West Midlands, WS10 7TB |
| Registered number | 05121058 |
| Liquidators' details | Roderick Graham Butcher of Butcher Woods, 79 Caroline Street, Birmingham, B3 1UP |
| Liquidator's date of appointment | 19 July 2011 |

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 19 July 2011 to 18 July 2012 is attached at Appendix A

ASSETS

Associated Company – Abbachem Limited

As per the statement of affairs an amount totalling £145,822 is due from an associated company, Abbachem Limited, a company I was also appointed Liquidator of on 19 July 2011

I am currently in the process of advertising a first dividend to the unsecured creditors of Abbachem Ltd however I am unaware of what the dividend will be at present. It is anticipated that there will be a further dividend to the unsecured creditors of Abbachem Ltd however this will be dependent upon the successful collection of future book debts

Cash at Bank

Following the transfer of funds from the company's Bank account £4 has been realised

Book Debts

The statement of affairs indicated book debts due to the company with a ledger of £10,088. To date £1,667 has been realised and collection is still ongoing

Investments

Upon reviewing the balance sheet of the company, the last accounts indicate that investments were held in Abbachem Ltd totalling £694,920. As mentioned previously Abbachem Ltd is in Liquidation and as such these investments are unrealisable

Stock

Prior to my appointment as Liquidator an amount of £226,861 was paid by a third party purchaser of Abbachem Ltd for the sale of the stock. These funds were held in the purchaser's Solicitor's account.

The final amount to be paid to the Liquidation Estate was subject to valid retention of title claims submitted by suppliers.

If a supplier had a valid retention of title claim, then they would deduct the value of goods returned to them from the total balance that they are a creditor for.

In addition the amount to be paid for the stock by the purchaser would be reduced by an equivalent amount and deducted from the funds held by the purchaser's solicitors.

Following the finalisation of retention of title claims and sundry stock adjustments agreed by both parties, an amount of £76,906 was realised. Of this amount, £52,116 of the stock related to that owned by Abbachem Ltd and as such the total value of stock realised by Abbachem (Holdings) Ltd was £24,790.

LIABILITIES

Preferential Creditors

There are no preferential creditors in this matter.

Floating Charge Creditors

An examination of the company's mortgage register held by the Registrar of Companies, shows that National Westminster Bank plc have a fixed and floating charge over the assets of the company registered on 29 July 2004. The Bank was in credit upon my appointment and as such no monies are due to them under the terms of their debenture.

Unsecured Creditors

It is anticipated that there will be a dividend to unsecured creditors in this matter however the quantum and timing is not known at present and will be dependent on the dividend received from the Liquidation of Abbachem Ltd.

I do not anticipate being in a position to pay a dividend to unsecured creditors until the outcome of Abbachem Ltd has been finalised.

As per the statement of affairs there were unsecured creditors totalling £206,391. Claims have not been adjudicated to date however will be admitted once I am in a position to advertise a dividend to unsecured creditors.

INVESTIGATIONS

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Within six months of my appointment as liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of our work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

These include but have not been limited to

Dealing with and assessing retention of title claims of creditors

Liaising with the purchaser regarding the agreement of the final stock figure

Monitoring and assisting with the collection of outstanding book debts and other debtors

Liaising with the company's former bank regarding the transfer of funds held by them

Investigating the affairs of the company

Dealing with creditor queries

PRE-APPOINTMENT REMUNERATION

The board previously authorised the payment of a fee of £3,500 plus VAT for assistance with the Statement of Affairs and producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 4 July 2011. This remains outstanding to date and is due to Butcher Woods Ltd from realisations after appointment.

LIQUIDATORS REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 19 July 2011 to be drawn on a time cost basis. My time costs to date amount to £8,395.00. No monies have been drawn to date in respect of these fees. A schedule of my time costs incurred to date is attached as Appendix B.

A description of the routine work undertaken in the liquidation to date is as follows:

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
 - Convening and holding meetings of members and creditors
- 2 Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met

- 3 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors
 - Maintaining creditor information on IPS
 - Reviewing and adjudicating on proofs of debt received from creditors
- 4 Investigations
 - Review and storage of books and records
 - Prepare a return pursuant to the Company Directors Disqualification Act
 - Conduct investigations into suspicious transactions
 - Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors
- 5 Realisation of Assets
 - Liaising with the company's bank regarding the closure of the account
 - Ratifying the sale of the fixed assets
 - Assessing retention of title claims
 - Realisation of stock

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' together with an explanatory note which shows Butcher Woods's fee policy are available at the link www.butcher-woods.co.uk/creditors-information.php A hard copy can be obtained on request from our address

LIQUIDATOR'S EXPENSES

My expenses to date amount to £238 35 A breakdown of these are detailed below These expenses remain outstanding to date

| | |
|-------------------------|---------|
| Bordereau | £120 00 |
| Postage | £49 50 |
| Printing & Photocopying | £68 85 |

The following agents or professional advisors have been utilised in this matter

| Agent / Professional Advisor | Nature of Work | Fee Arrangement |
|------------------------------|----------------|-----------------|
| Higgs & Sons | Solicitors | Time costs |

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case

Higgs & Sons have been paid £1,975 representing work carried out in assisting us in investigating the affairs of the company

Further Payments

£230 has been paid for statutory advertising

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

SUMMARY

It is anticipated that there will be a dividend to unsecured creditors in this matter however the quantum and timing is not known at present and will be dependent on the dividend received from the Liquidation of Abbachem Ltd.

I do not anticipate being in a position to pay a dividend to creditors until the outcome of Abbachem Ltd has been finalised.

Should you have any queries regarding this matter please contact Dan Trinham on 0121 236 6001.



R G Butcher
Liquidator

Enclosure

**Abbachem (Holdings) Limited
(In Liquidation)**

'S RECEIPTS AND PAYMENTS ACCOUNT

| | Statement of affairs £ | From 19/07/2011 To 18/07/2012 £ | From 19/07/2011 To 18/07/2012 £ |
|-------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| Stock | | 24,790 22 | 24,790 22 |
| Book Debts | 7,566 00 | 1,666 57 | 1,666 57 |
| Cash at Bank | 2 00 | 3 78 | 3 78 |
| Associated Company | 36,456 00 | 0 00 | 0 00 |
| | | <u>26,460 57</u> | <u>26,460 57</u> |
| PAYMENTS | | | |
| Legal Fees (1) | | 1,975 00 | 1,975 00 |
| Statutory Advertising | | 229 50 | 229 50 |
| Vat Receivable | | 440 90 | 440 90 |
| | | <u>2,645 40</u> | <u>2,645 40</u> |
| BALANCE - 18 July 2012 | | | <u><u>23,815.17</u></u> |

Appendix B

Abbachem (Holdings) Limited In Liquidation

Summary of remuneration for period ending 18 July 2012

| Classification of work | Partner | Manager | Administrator | Support | Total Hours | Time Cost £ | Average Rate £/h |
|-----------------------------|---------|---------|---------------|---------|-------------|-------------|------------------|
| Administration and Planning | 16 25 | | 13 | 4 25 | 33 5 | 6,645 00 | 198 36 |
| Investigations | | | 4 | | 4 | 440 00 | 110 00 |
| Realisation of Assets | | | 7 5 | | 7 5 | 825 00 | 110 00 |
| Trading | | | | | | | |
| Creditors | 4 | | 3 5 | 1 25 | 8 75 | 485 00 | 55 43 |
| Total hours | 20 25 | | 28 | 5 5 | 53 75 | 8,395 00 | 156 19 |

Standard activity

Examples of work

Administration and planning

Case planning
Administrative set up
Appointment notification
Maintenance of records
Statutory reporting

Investigations

SIP 2 review
CDDA reports
Investigating antecedent transactions

Realisation of assets

Identifying, securing, insuring assets
Retention of title
Debt collection
Property, business and asset sales

Trading

Management of operations
Accounting for trading
On-going employee issues

Creditors

Communication with creditors
Creditors' claims (including employees' and other preferential creditors')

Abbachem (Holdings) Limited In Liquidation**Summary of category 2 disbursements for period ending 18 July 2012**

| Type and purpose | £ |
|---------------------------|-------|
| Printing and photocopying | 68 85 |
| Postage | 49 50 |
| Bordereau | |
| Storage | |
| Room hire | |
| Registered office fee | |
| IPS charge | |