

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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23/12/2020

#217

COMPANIES HOUSE

1 Company details

Company number 0 5 3 1 8 7 6 8
Company name in full Cromwell Engineering 2000 Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Jonathan Mark
Surname Williams

3 Liquidator's address

Building name/number c/o Bishop Fleming LLP
Street 10 Temple Back
Post town Bristol
County/Region
Postcode B S 1 6 F L
Country

4 Liquidator's name ①

Full forename(s)
Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

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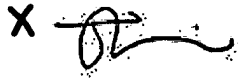
6 Period of progress report

From date	^d 3	^d 1	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9
To date	^d 3	^d 0	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0

7 Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature



Signature date

^d 2	^d 1	^m 1	^m 2	^y 2	^y 0	^y 2	^y 0
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LIQ03

Notice of progress report in voluntary winding up



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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



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

Liquidator's Annual Progress Report to Creditors & Members

Cromwell Engineering 2000 Limited - In Liquidation

For the period from 31 October 2019 to 30 October 2020

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

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- B** Time Analysis for the period from the 31 October 2019 to 30 October 2020 (B1) and a Cumulative Time Analysis for the period from 10 May 2011 to 30 October 2020 (B2)
- C** Additional information in relation to Liquidator's Fees, Expenses & Disbursements

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Jonathan Mark Williams of Bishop Fleming LLP, 10 Temple Back, Bristol, BS1 6FL, was appointed as Liquidator of Cromwell Engineering 2000 Limited on 30 October 2012. My appointment was in succession to Samuel Jonathan Talby who had been appointed Liquidator on 10 May 2011.
- 1.2 This progress report covers the period from 31 October 2019 to 30 October 2020 and should be read in conjunction with all previous progress reports issued.
- 1.3 Information about the way that this firm will use, and store, personal data on insolvency appointments can be found at www.bishopfleminginsolvency.co.uk/privacy-policy. If you are unable to download this, please contact me and a hard copy will be provided to you.
- 1.4 The principal trading address of the Company was Bridge House, 4 Borough High Street, London, SE1 9QR.
- 1.5 The registered office of the Company has been changed from Bridge House, 4 Borough High Street, London, SE1 9QR to c/o Bishop Fleming, 10 Temple Back, Bristol, BS1 6FL and its registered number is 05318768.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the Liquidation, as well as an explanation of the work done by me and my staff.
- 2.2 At Appendix A is my receipts and payments account for the period covered by this report, and a cumulative receipts and payments account for the period since my predecessor's appointment.

Administration

- 2.3 I must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes dealing with the Company's creditors and employees together with administrative tasks associated with the appointment, such as agreeing the strategy for the Liquidation, filing notices of appointment, statutory advertising, opening and maintaining the Estate cash book and bank accounts, and reporting periodically to creditors, HMRC and the Registrar of Companies.
- 2.4 In the period covered by this report, time has been spent completing statutory tasks, which included preparing and issuing my previous progress report and completing Liquidation tax returns.
- 2.5 Creditors should note that this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of Assets

- 2.6 It is anticipated that the work that me and my staff undertake will bring a financial benefit to the preferential creditors in the form of a dividend payment.

Debtors and Work in Progress & Retentions

- 2.7 As previously reported several retention payments remain unresolved.
- 2.8 Despite accepting an offer of £6,300 in settlement of all claims the matter has stalled. An issue around CIS Tax was raised by the debtor company but having attempted to resolve this with them, communications have broken down.

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

- 2.9 I continue to work towards a resolution but in the absence of any progress being made the default position on which to revert is to wait for the various payments to fall due for payment. Circa £18k is being pursued across five debts, with the final debt falling due in 2024.
- 2.10 Based on the above, I currently anticipate the total expenses that may be incurred in dealing with the remainder of the Company's asset realisations to be £1,600. This assumes the Liquidation will remain open until 2024.

Creditors (claims and distributions)

- 2.11 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. I am not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.12 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.13 The above work will not necessarily bring any financial benefit to creditors generally, however, I am required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved in dealing with those claims.

Investigations

- 2.14 You may recall from previous progress reports that some of the work I am required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. This work may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that I can pursue for the benefit of creditors.
- 2.15 My predecessor's report on the conduct of the directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the Liquidation and is confidential.
- 2.16 No matters have come to light in the period covered by this report.

Matters still to be dealt with

- 2.17 The only matter still to be dealt with is the unresolved retention balances and I refer you to paragraphs 2.7 to 2.10 for further information on these.

3 Creditors

Secured Creditors

- 3.1 HSBC Bank plc were granted an unlimited debenture by the Company, incorporating fixed and floating charges dated 3 November 2005. At the date of Liquidation the indebtedness was estimated to be £250,279.10. To date no indebtedness has been agreed and no amount has been paid on account.

Preferential Creditors

- 3.2 A summary of preferential claims is detailed below.

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Employee claims (Total number of claims = 39)	10,790	10,790	n/a
Department for Business, Energy & Industrial Strategy (BEIS)	35,097	32,547	n/a

- 3.3 I regret that, based on present information, it is unlikely that there will be sufficient funds to enable a dividend to be paid to the preferential creditors. However, this outcome is not yet fully determined.

Unsecured Creditors

- 3.4 I have received claims totalling £1,541,232.88 from 110 creditors. I have yet to receive claims from 45 creditors whose debts total £345,164.29 as per the director's Statement of Affairs.
- 3.5 The Company granted a floating charge to HSBC Bank plc on 3 November 2005. Accordingly, I am required to create a fund out of the Company's net floating charge property for the unsecured creditors (known as the Prescribed Part).
- 3.6 Based on present information, I estimate the value of the Company's net floating charge property to be nil. Arising from this, the value of the unsecured creditors' fund is presently estimated to be nil. Please note that this is an estimate, and the outcome can only be determined once all asset realisations have been made.
- 3.7 I regret that based on present information there will be insufficient funds available to enable a distribution to be made to the unsecured creditors.

4 Liquidator's Remuneration

- 4.1 The creditors approved that the basis of my predecessor's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation. The basis of my remuneration is covered under this same approval.
- 4.2 My time costs for the period covered by this report are £2,691.25. This represents 12.30 hours at an average rate of £218.80 per hour. Attached as Appendix B1 is a time analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to the time properly spent by me and my staff in managing the Liquidation.
- 4.3 Also attached, as Appendix B2, is a cumulative time analysis for the period from 10 May 2011 to 30 October 2020, which provides details of the total time costs since my predecessor's appointment. The cumulative time costs incurred to date are £74,952.80. This represents 498.33 hours at an average rate of £150.41 per hour.
- 4.4 No further fees or disbursements were drawn in the period covered by this report. In total, £57,397.67, plus disbursements of £1,152.11, has been drawn on account.
- 4.5 In considering the remaining work to be done in this Liquidation, I currently anticipate that my time costs to complete the Liquidation will be in the region of £8k. This includes the asset realisation expenses stated above and the assumption that the Liquidation will not be closed until 2024. I will update creditors on this in my next progress report.
- 4.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.r3.org.uk/what-we-do/publications/professional/fees, selecting the guide applicable to the insolvency commencement date in this case - 10 May 2011.

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

- 4.7 Attached as Appendix C is additional information in relation to the Liquidator's fees, expenses, and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' Rights

- 5.1 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) may request in writing that I provide further information about my remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within eight weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for my remuneration is inappropriate and/or the remuneration charged, or the expenses incurred by me, as set out in this progress report, are excessive.

6 Next Report

- 6.1 I am required to provide a further report on the progress of the Liquidation within two months of the next anniversary of the Liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.

Yours faithfully



J M Williams
Liquidator

21/12/2020

Appendix A

Cromwell Engineering 2000 Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 31/10/2019 To 30/10/2020 £	From 10/05/2011 To 30/10/2020 £

Cromwell Engineering 2000 Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 31/10/2019 To 30/10/2020 £	From 10/05/2011 To 30/10/2020 £
(45,000.00)	Preference Shareholders	NIL	NIL
		NIL	NIL
<u>(1,329,456.44)</u>		<u>(97.42)</u>	<u>839.07</u>
	REPRESENTED BY		
	ISA Main Account		839.07
			<u>839.07</u>

Appendix B1

Cromwell Engineering 2000 Limited - In Liquidation
Summary of Liquidator's Time Costs
for the period from 31 October 2019 to 30 October 2020

Classification of work function	Hours					Total Hours	Time Costs £	Average Hourly rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier			
Administration & Planning	-	0.20	-	-	-	0.20	56.00	280.00
Creditors	-	0.95	-	-	-	0.95	243.50	256.32
Realisation of Assets	-	0.20	-	-	-	0.20	51.00	255.00
Compliance & Statutory Duties	-	3.00	-	-	-	3.00	830.00	276.67
Cashiering	-	1.00	-	0.20	-	1.20	300.00	250.00
Tax and VAT	-	0.45	-	0.75	-	1.20	146.00	121.67
Statutory Reporting	0.30	3.50	-	1.75	-	5.55	1,064.75	191.85
Total hours and time costs and average rate						12.30	2,691.25	218.80

Appendix B2

Cromwell Engineering 2000 Limited - In Liquidation
Summary of Liquidatorss Time Costs
for the period from 10 May 2011 to 30 October 2020

Classification of work function	Hours					Total Hours	Time Costs £	Average Hourly rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier			
Administration and Planning	13.20	18.30	10.65	15.51	-	57.66	9,288.45	161.09
Investigations	5.10	3.20	14.55	-	-	22.85	3,896.75	170.54
Creditors	0.50	7.00	56.05	22.05	-	85.60	10,881.50	127.12
Realisation of Assets	6.70	38.50	44.45	14.35	-	104.00	16,978.00	163.25
Case Specific Matters		0.75				0.75	146.25	195.00
Cashiering		10.75	46.15	10.70		67.60	9,710.35	143.64
Compliance & Statutory Duties	1.80	24.70	8.80	41.70		77.00	11,273.75	146.41
Statutory Reporting	3.00	21.40	13.10	6.45		43.95	7,761.75	176.60
Tax & VAT	1.60	4.20	15.32	17.80		38.92	5,016.00	128.88
Total hours and time costs and average rate						498.33	74,952.80	150.41

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

Appendix C

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

<i>Name of Professional Advisor</i>	<i>Basis of Fee Arrangement</i>
<i>DAC Beachcroft LLP (legal advice)</i>	<i>Hourly rate and disbursements</i>
<i>J Lea & Co (professional advice)</i>	<i>Hourly rate and disbursements</i>
<i>J. P. Fletcher & Co (legal advice)</i>	<i>Hourly rate and disbursements</i>
<i>Leslie Keats (debt collection)</i>	<i>Commission</i>

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Liquidator's Expenses & Disbursements

- 3.1 An analysis of the expenses and disbursements paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	<i>Paid in prior period £</i>	<i>Paid in the period covered by this report £</i>	<i>Incurred but not paid to date £</i>	<i>Total anticipated cost £</i>
<i>Courier</i>	167.81	-	-	167.81
<i>Other expenses</i>	20.00	-	-	20.00
<i>Search fees</i>	15.16	-	-	15.16
<i>Specific bond</i>	225.00	-	12.00	237.00
<i>Storage</i>	46.84	-	27.56	74.40
<i>Category 2 disbursements</i>				
<i>IPS software fee</i>	15.00	-	-	15.00
<i>Mileage at HMRC approved rates</i>	201.60	-	-	201.60
<i>Photocopying</i>	19.50	-	-	19.50
<i>Room hire</i>	175.00	-	-	175.00
<i>Registered office fee</i>	100.00	-	-	100.00
<i>Stationery & postage</i>	140.20	-	-	140.20
<i>Telephone</i>	26.00	-	-	26.00
	1,152.11	-	39.56	1,191.67

CROMWELL ENGINEERING 2000 LIMITED - IN LIQUIDATION

3.2 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

3.3 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

4.1 A schedule of Bishop Fleming LLP's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There have been no material increases in charge-out rates since that date, although rates have been reviewed annually on 1 July each year. A schedule of our current rates is attached, together with a summary of our charge out rates in the past 5 years.

Bishop Fleming LLP Business Recovery & Insolvency

Information to Creditors

Charge out rates and policy regarding the recharge of Disbursements

Charge out Rates (£ per hour)	Business Recovery & Insolvency Staff	Other Staff
Insolvency Practitioner / Partner	£330 - £370	£270 - £280
Senior Manager	£280	£150 - £220
Manager	-	£120 - £155
Other Senior Professionals	£140 - £190	£70 - £120
Support Staff	£100	£50 - £70

Most of the work on the assignment will be undertaken by specialist staff in the Business Recovery & Insolvency department, but some tasks will be performed by other staff in the General Practice, Corporate Finance, Taxation, Payroll and Administration departments where appropriate, which will be charged out at their normal rates.

Time is usually charged in units of 0.1 hour (i.e. 6 minutes) but the minimum unit of time that may be recorded is 0.017 of an hour (1 minute).

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

Category 1 Disbursements

These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff.

Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Category 2 Disbursements

These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

All costs are subject to VAT, where applicable.

**Bishop Fleming LLP Business Recovery & Insolvency
Information to Creditors
Summary of Charge Out Rates in the past 5 years**

Charge Out Rates (£ per hour)	11 July 2016	3 July 2017	13 August 2018	15 August 2019	3 August 2020
<u>Business Recovery & Insolvency Staff</u>					
Insolvency Practitioner / Partner	£325	£340	£350	£370	£330 - £370
Senior Manager	£240	£255	£265	£280	£280
Manager	£185 - £200	£195 - £210	£215	£180 - £230	-
Other Senior Professionals	-	-	£180	£190	£140 - £190
Support Staff	£120 - £140	£150 - £155	£155	£100	£100
<u>Other Staff</u>					
Partner	£220 - £245	£240 - £290	£230 - £290	£270 - £315	£270 - £315
Senior Manager	£135 - £225	£140 - £235	£105 - £235	£150 - £240	£150 - £240
Manager	£85 - £130	£110 - £135	£85 - £135	£120 - £155	£120 - £155
Other Senior Professionals	£90 - £130	£95 - £135	£35 - £110	£70 - £120	£70 - £120
Support Staff	£40 - £95	£35 - £90	£35 - £60	£50 - £70	£50 - £70

Charge out rates are reviewed annually in early July. The new charge out rates were effective from the dates shown