

## 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

06279637

Name of Company

Nidd Vale Group Limited

I/ We

Bob Maxwell, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

Julian Pitts, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

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 21/03/2016 to 20/03/2017

Signed



Date

12/5/17

Begbies Traynor (Central) LLP  
Fourth Floor  
Toronto Square  
Toronto Street  
Leeds  
LS1 2HJ

Ref: NI073CVL/RAHM/JNRP/MR/BXF

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## **Nidd Vale Group Limited (In Creditors' Voluntary Liquidation)**

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Progress report

Period: 21 March 2016 to 20 March 2017

### **Important Notice**

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The 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.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Nidd Vale Group Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 21 March 2013.
"the liquidators", "we", "our" and "us"	Bob Maxwell of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Julian Pitts 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:	Nidd Vale Motors
Company registered number:	06279637
Company registered office:	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former trading address:	Nidd Vale Corner, 91 Leeds Road, Harrogate, HG2 8EY

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	21 March 2013
Date of liquidators' appointment:	21 March 2013
Changes in liquidator:	None

## 4. PROGRESS DURING THE PERIOD

### **Receipts and Payments**

Attached at Appendix 1 is our abstract of receipts and payments for the period from 21 March 2016 to 20 March 2017.

**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

Throughout the Liquidation we have maintained records in order to demonstrate how the case has been administered and to document the reasons for any decisions taken. Costs during the period in this respect have fallen under the above heading in the time costs analysis.

#### Compliance with the Insolvency Act, Rules and best practice

The Insolvency Act and Rules require that we produce interim progress reports on an annual basis to provide an update to the creditors of the progression made during the Liquidation. The previous progress report dated 19 May 2016 was prepared and sent to creditors during the period.

The statutory documentation detailed above has been filed with the Registrar of Companies under the Insolvency Act. We have also monitored realisations during the period to ensure that the statutory bond is sufficient to cover the value of total realisations during the Liquidation in order to protect the interests of the Company's creditors.

#### Realisation of assets

As creditors are aware, the Company is a creditor of Nidd Vale Motors, Limited (in Liquidation) ("NVM") in respect of an inter-company loan. Time has been spent liaising with the Liquidators of NVM with regard to the dividend payable from its estate.

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

We have submitted tax returns for the Company for the post Liquidation periods.

## 5. ESTIMATED OUTCOME FOR CREDITORS

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

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

#### **Secured creditors**

There are no secured creditors in respect of this matter.

#### **Preferential creditors**

There are no known preferential claims.

#### **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 in our progress report for the period 21 March 2015 to 20 March 2016.

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**

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

## 6. REMUNERATION & DISBURSEMENTS

### Remuneration

Our remuneration has been fixed by a resolution of creditors at a meeting 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 and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 21 March 2016 to 20 March 2017 amount to £1,766 which represents 10 hours at an average rate of £175 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 March 2016 to 20 March 2017
- ☐ Begbies Traynor (Central) LLP's charging policy

To 20 March 2017, we have not drawn any remuneration against total time costs of £12,625 incurred since the date of our appointment.

### 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.

### Disbursements

To 20 March 2017, we have also drawn disbursements in the sum of £38.

### Category 2 Disbursements

We have not incurred any category 2 disbursements to date.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' 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](http://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 the period of this 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.

## 8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

**What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?**

### General case administration and planning

As detailed above, we are required to maintain records to demonstrate how the case is being administered and to document the reasons for any decisions that materially affect the case on an ongoing basis. This also includes compliance reviews and six monthly reviews required to be carried out in accordance with my best practice.

Costs in this respect are likely to remain similar to those incurred during the period covered by this report.

### Compliance with the Insolvency Act, Rules and best practice

A final progress report will have to be produced once the Liquidation has reached its conclusion. This will provide creditors with an overview of the Liquidation, including all realisations, costs and the final outcome for creditors.

As has been done throughout the Liquidation, progress reports and the other statutory documentation will be filed with the Registrar of Companies under the Insolvency Act and the statutory bond level will be monitored on a receipt by receipt basis.

### Realisation of assets

As detailed previously and in Section 4 above, the only matter to be dealt with is the realisation of an inter-company loan to NVM, which is also in Liquidation. We have previously submitted the Company's claim in respect of the inter-company loan for £185,000. The quantum and timing of the dividend due to the Company is uncertain at this stage.

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

We will continue to deal with correspondence received and claims submitted throughout the remainder of the Liquidation and will creditors informed as matters progress.

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

We will continue to deal with tax matters throughout the Liquidation.

### **How much will this further work cost?**

Further to the information currently available, we estimate that further time costs in relation to this matter will total £3,000.

### **Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows:

Storage – £17.60 plus VAT



## 9. OTHER RELEVANT INFORMATION

### **Investigations and reporting on directors conduct**

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

### **Investigations carried out to date**

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

## 10. CREDITORS' RIGHTS

### **Right to request further information**

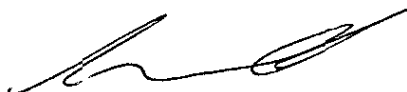
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, 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

We will report again in approximately twelve month's time or at the conclusion of the liquidation, whichever is the sooner.



**R A H Maxwell**  
Joint Liquidator

Dated: 12 May 2017

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 21 March 2016 to 20 March 2017

Statement of Affairs	From 21/03/2016 To 20/03/2017	From 21/03/2013 To 20/03/2017
£	£	£
<b>ASSET REALISATIONS</b>		
Contribution to Costs	NIL	4,000.00
Bank Interest Gross	3.70	8.56
	<u>3.70</u>	<u>4,008.56</u>
<b>COST OF REALISATIONS</b>		
Specific Bond	NIL	20.00
Company Search Fees	NIL	11.00
Storage Costs	NIL	6.72
Statutory Advertising	NIL	253.80
	<u>NIL</u>	<u>(291.52)</u>
<b>UNSECURED CREDITORS</b>		
(2,112,500.00) Snapstick LLP	NIL	NIL
(491,994.00) Directors' Loans	NIL	NIL
(616,170.00) HMRC (VAT) - contingent group creditor	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>DISTRIBUTIONS</b>		
(624,778.00) Preference Shareholders	NIL	NIL
(250,000.00) Ordinary Shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>(4,095,442.00)</b>	<b><u>3.70</u></b>	<b><u>3,717.04</u></b>

## **TIME COSTS AND DISBURSEMENTS**

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 21 March 2016 to 20 March 2017; and
- c. Cumulative Time Costs Analysis for the period from 21 March 2013 to 20 March 2017.

## **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 guidance<sup>1</sup> 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. Best practice guidance<sup>2</sup> requires 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 in Appendix 3.

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 in Appendix 3.

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

Best practice guidance classifies expenses into two broad categories:

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

(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 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 expense*) 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;

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

<sup>2</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

(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 expense*:

- 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:

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	110

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning											
	Administration			2.4		0.5	0.1		0.4	3.4	781.00	229.71
	Total for General Case Administration and Planning:			2.4		0.5	0.1		0.4	3.4	781.00	229.71
	Appointment											0.00
	Banking and Bonding					0.1			0.4	0.5	61.50	123.00
Compliance with the Insolvency Act, Rules and best practice	Case Closure											0.00
	Statutory reporting and statement of affairs			0.7			5.3			6.0	901.00	150.17
	Total for Compliance with the Insolvency Act, Rules and best practice:			0.7		0.1	5.3		0.4	6.5	982.50	149.88
	CDOA and Investigations											0.00
	Total for Investigations:											0.00
Realisation of assets	Debt collection											0.00
	Property, business and asset sales											0.00
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets:											0.00
	Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Total for Trading:											0.00
	Secured											0.00
	Others											0.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:											0.00
Other matters which includes meetings, tax, litigation, pensions and travel	Meetings											0.00
	Other											0.00
	Tax								0.2	0.2	22.00	110.00
	Litigation											0.00
	Total for Other matters:								0.2	0.2	22.00	110.00
Total time cost by staff grade:	Total hours by staff grade:			3.1		0.6	5.4		1.0	10.1		
	Total time cost by staff grade:			821.50		105.00	729.00		110.00		1,765.50	
	Average hourly rate £:	0.00	0.00	265.00	0.00	175.00	135.00	0.00	110.00			174.80
	Total fees drawn to date £:										0.00	

Staff Grade	Consultant/Partner	Director	Srct Mngtr	Mngr	Asst Mngtr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	2.5			0.5		3.4	5.5			11.9	2,457.50	206.51
				8.5		0.7	3.5	2.3	8.5	21.5	3,815.50	177.47
	2.5			9.0		4.1	9.0	2.3	8.5	33.4	8,273.00	187.81
Compliance with the Insolvency Act, Rules and best practice				8.5				2.6		9.1	2,008.50	220.71
						0.1	0.2		0.5	0.8	99.50	124.38
												0.00
				1.5		4.5	8.8	1.3		16.1	2,516.00	156.27
				8.0		4.8	9.0	3.9	8.5	28.8	4,824.00	177.85
Investigations				0.5				0.8		1.3	220.50	169.62
				0.5				0.8		1.3	220.50	169.62
Realisation of assets												0.00
												0.00
												0.00
												0.00
												0.00
												0.00
Trading												0.00
												0.00
Dealing with all creditors claims (including employees), correspondence and distributions												0.00
				2.0						2.0	530.00	265.00
												0.00
				2.0						2.0	530.00	265.00
Other matters which includes meetings, tax, litigation, donations and travel	2.0											0.00
												0.00
												0.00
				0.5				0.3	0.2	1.0	187.50	187.50
												0.00
												0.00
	2.0			0.5				0.3	0.2	3.0	977.50	325.83
	4.5			20.0		8.7	18.0	7.3	7.2	65.7		
	1,777.50			5,300.00		1,522.50	2,430.00	803.00	752.00		12,825.00	
	395.00	0.00	0.00	285.00	0.00	175.00	135.00	110.00				192.16
											0.00	

## 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 <b>not</b> within the Begbies Traynor Group				
Storage	Restore plc	2.40	0.00	2.40

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Search fees	Companies House	11.00
Statutory advertising	Courts Advertising Limited	253.80
Storage	Restore plc	13.84
Bond	Marsh Limited	20.00