In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up

Companies House

FRIDAY

A9GRJIKG

A02 30/10/2020 #17

COMPANIES HOUSE

1 Company details

Company number	0 6 3 4 6 6 1 9
Company name in full	Ferotec Friction Limited

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

2 Liquidator's name

Full forename(s)	Ian C
Surname	Brown

3 Liquidator's address

Building name/number	2nd Floor
Street	14 Castle Street
Post town	Liverpool
County/Region	
Postcode	L 2 0 N E
Country	

4 Liquidator's name ❶

Full forename(s)	John
Surname	Fisher

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

5 Liquidator's address ❷

Building name/number	2nd Floor
Street	14 Castle Street
Post town	Liverpool
County/Region	
Postcode	L 2 0 N E
Country	

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

LIQ03
Notice of progress report in voluntary winding up

6 Period of progress report

From date	d 1 d 8	m 1 m 0	y 2 y 0 y 1 y 9
To date	d 1 d 7	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 X I C Bar X	
Signature date	d 2 d 8	m 1 m 0 y 2 y 0 y 2 y 0

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: Sheila McCann
Company name: Parkin S Booth Ltd

Address: 2nd Floor
14 Castle Street

Post town: Liverpool
County/Region:
Postcode: L 2 0 N E
Country:
DX:
Telephone: 0151 236 4331

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

Ferotec Friction Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 18/10/2019 To 17/10/2020 £	From 18/10/2017 To 17/10/2020 £
	SECURED ASSETS		
40,000.00	Stock	NIL	7,500.00
(65,486.00)	Chargeholder: B & C Rolapp	NIL	(7,500.00)
		NIL	NIL
	ASSET REALISATIONS		
19,492.00	Bibby Financial Services Limited	NIL	58,447.81
150,000.00	Book Debts	230.00	63,237.31
9,619.00	Cash at Bank	NIL	15,750.01
10,000.00	Cash at Bank - Special account	NIL	10,000.00
	CHAPS Refund	75.00	75.00
19,000.00	Plant, Machinery & Tooling	NIL	41,500.00
	Refund of Bank Charges	125.00	125.00
		430.00	189,135.13
	COST OF REALISATIONS		
	Agents/Valuers Fees	NIL	8,377.00
	Bank Charges	126.19	151.19
	Insurance of Assets	NIL	1,866.69
	Joint Liquidators Remuneration	NIL	40,587.50
	Legal Fees	230.00	10,994.93
	Office Holders Expenses	NIL	279.35
	Other Property Expenses	NIL	1,000.00
	Re-Direction of Mail	NIL	204.00
	Rents Payable	NIL	9,286.68
	Specific Bond	NIL	990.00
	Statement of Affairs Fee	NIL	9,250.00
	Stationery & Postage	184.32	212.27
	Statutory Advertising	350.56	495.06
		(891.07)	(83,694.67)
	PREFERENTIAL CREDITORS		
(7,249.00)	DE Arrears & Holiday Pay	NIL	8,324.77
(704.00)	Pension Schemes	7.56	7.56
		(7.56)	(8,332.33)
	UNSECURED CREDITORS		
(3,331.00)	Customs & Excise	NIL	NIL
(280,450.00)	Ferotec Friction INC	NIL	NIL
(6,040.00)	H M Revenue & Customs	NIL	NIL
(66,107.97)	Loan Account	NIL	NIL
(91,336.44)	Trade & Expense Creditors	93,315.04	93,315.04
(42,319.00)	Wages in Lieu of Notice Claims	3,793.09	3,793.09
		(97,108.13)	(97,108.13)
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(314,913.41)		**(97,576.76)**	**0.00**
	REPRESENTED BY		
			NIL

Ferotec Friction Limited – In Creditors' Voluntary Liquidation

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS

FOR THE YEAR ENDING 17TH OCTOBER 2020

STATUTORY INFORMATION

Company name:	Ferotec Friction Limited
Company number:	06346619
Trading address:	Greenfield Business Park, Bagillt Road, Greenfield, Holywell, CH8 7HJ
Registered office:	Yorkshire House, 18 Chapel Street, Liverpool, L3 9AG
Former registered office:	Greenfield Business Park, Bagillt Road, Greenfield, Holywell, CH8 7HJ
Principal trading activity:	Industrial brake products
Joint Liquidators' names	Ian C Brown and John P Fisher
Joint Liquidators' address	2nd Floor, 14 Castle Street, Liverpool, L2 0NE
Date of appointment	18 October, 2017
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

I have dealt with the sale of the chattel assets, collected book debts due to the Company and passed the remaining debts to solicitors to pursue on my behalf and made a payment to a secured creditor in respect of their charge over the stock. I have paid the claims of Preferential creditors in full and also paid a dividend to unsecured creditors. I have liaised with the Company's bank and factoring company concerning finalisation and closure of their accounts.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix 3.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 18 October 2019 to 17 October 2020 is attached at Appendix 1.

ASSET REALISATIONS

Stock

The stock was sold by agents and an amount of £7,500 was realised. The stock was subject to a charge, and the charge-holders have been paid the amount realised.

Bibby Financial Services Limited

The debts had previously been factored with Bibby Financial Services Ltd. Following my appointment, I wrote to them requesting details of the balance held by them following the completion of the agreement. As a result, the account was finalised and an amount of £58,447.81 was transferred into the liquidation bank account, which represented the balance after all costs and termination fees had been applied. This was higher than anticipated due to payments made by debtors prior to liquidation.

Book debts

The book debts were estimated to realise £150,000 in the Statement of Affairs. Following my appointment, I wrote to all debtors requesting payment. A number of queries were raised, which were dealt with by me with the assistance of the Director. This included retrieving, reviewing and providing copy documentation and other information to the debtors and dealing with correspondence. In the final outcome an amount of £63,237.31 was realised. The remaining debts where no response was received, were passed to solicitors to pursue on my behalf. This included a large debtor in China which is now considered to be bad and irrecoverable.

Cash at Bank

The Company's bank account was in credit and was estimated to realise £9,619 in the Statement of Affairs. Following my appointment, I wrote to the bank requesting that the account be closed, and the balance therein transferred to the liquidation account. Ultimately, a final balance of £15,750.01 was transferred, slightly higher than anticipated due to debtors who had paid direct into the account pre-liquidation.

Cash at bank Special Account

These represented funds transferred into the trust account to cover costs of liquidation.

Plant, Machinery and Tooling

These items were estimated to realise a total of £19,000 in the Statement of Affairs. The items were sold by my agents at auction and an amount of £41,500 was realised, significantly in excess of the amount expected.

COST OF REALISATIONS

Agents/Valuers

David Currie & Co of Exchange Station, Tithebarn Street, Liverpool, L2 2QP dealt with the valuation and subsequent sale of the Company's tangible assets. Their fees totaling £8,377.00 plus VAT were paid on 22 November 2017.

Bank Charges

Charges totaling £25.00 have been paid as required.

Insurance of Assets

Jelf Insurance Brokers Limited were paid the sum of £1,866.69 plus VAT on 7 December 2017.

submitted a Preferential Claim in the sum of £8,324.77. This amount was paid in full, during the first year.

It was also considered that the Company Smart Pension Scheme initially had a claim, however as the relevant employees had been made redundant prior to liquidation no contributions remained outstanding as at the date of liquidation.

A Standard Life Stakeholder Pension Scheme was also in operation for one of the Directors, however no contributions remained outstanding.

Crown Creditors

The Statement of Affairs included £9,731 owed to HMRC. HMRC's final claim of £11,441.17 was received.

Non-preferential unsecured Creditors

The Statement of Affairs included non-preferential unsecured creditors with an estimated total liability of £480,213. Claims received have been broadly in line with the Statement of Affairs figures.

DIVIDENDS

There will not be any further dividends declared to non-preferential unsecured creditors as the funds realised have been used to make payments to secured and preferential creditors, to pay prior dividends to non-preferential unsecured creditors, and to meet the expenses of the liquidation. The dividends paid to non-preferential unsecured creditors are as follows:

Date	Dividend Amount	Amount of Distribution
29 January 2020	12.85p in the £	£97,108.13

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

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. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 18 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes. There were no matters that justified further investigation in the circumstances of this appointment.

Within three 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 my 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.

LIQUIDATORS' REMUNERATION

At a meeting held by correspondence on 9 November 2017 creditors authorised the payment of my remuneration on a time cost basis based on a fee estimate of £40,587.50. The fee estimate acts as a cap, and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 17 October 2020 amount to £57,452.50, representing 328.50 of hours work at a blended charge out rate of £174.89 per hour. I have drawn £40,587.50 to date and the balance of my firms' costs will be written off. A schedule of my time costs to date and in the period since 26 August 2020 is attached as Appendix 2 and 2a.

Liquidators Remuneration

Details will be included later in the report.

Legal Fees

I instructed S M Solicitors of Old Bank Buildings, Foregate Street, Chester CH1 1JT to assist with some of the creditors' claims and book debts in the Liquidation which proved to be lengthy and involved. Their fees of £10,994.93 plus VAT have been paid.

Office Holders Expenses

The sum of £279.35 was paid in respect of travel expenses out of the assets of the Company.

Other Property Expenses

Whitemoss Landfill Limited were paid the sum of £1,000.00 plus VAT on 7 December 2017.

Re-Direction of Mail

The sum of £204.00 has been paid in respect of redirection of post.

Rents Payable

Hansteen Property Investments Limited were paid the sum of £9,286.68 plus VAT in respect of service charges and lease of Unit C Greenfield Business Park, Holywell, Flintshire. This sum was paid on 3 November 2017.

Specific Bond

The Liquidator must provide a security bond cover over the Company's assets. The premium is based on realisable assets and the amount of £990 is payable out of the assets of the Company.

Statement of Affairs Fee

At a meeting held by correspondence on 9 November 2017 creditors authorised the payment of a fee of £9,250 plus VAT for my assistance with preparing the statement of affairs and arranging the deemed consent procedure for creditors to appoint a liquidator. This fee was been paid in the first year of liquidation.

Stationery & Postage

The sum of £212.27 has been paid during the liquidation in respect of stationery and postage.

Statutory Advertising

Statutory Notices have been advertised in the London Gazette and local paper, as required.

LIABILITIES

Secured Creditors

Mr B and Mrs C Rolapp held a charge over the stock dated 9th February 2016, which included a floating charge.

Preferential Creditors

The Statement of Affairs anticipated Preferential Creditors of £7,249. The Redundancy Payments Service settled all the employees claims in accordance with the Employment Rights Act 1996 and

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at http://www.creditorinsolvencyguide.co.uk/. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Parkin S Booth Ltd's fee policy are available at the link www.parkinsbooth.co.uk. Please note that there are different versions of the Guidance Notes and in this case, you should refer to the April 2017 version.

LIQUIDATORS' EXPENSES

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
David Currie & Co	Valuer/Auctioneer	Time Costs plus Disbursements
S M Solicitors	Solicitors	Time Costs plus Disbursements
Jelf Insurance Brokers	Insurance Brokers	Time Costs
AUA Insolvency Risk Services	Specific Bond	Premium
Legal & Public Notices	Advertising	Fixed Fee

The choice of professionals used 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. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

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 Joint Liquidators' remuneration and expenses within 21 days of their 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 unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Parkin S Booth & Co can be found at www.parkinsbooth.co.uk.

SUMMARY

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Sheila McCann by email at smc@parkinsbooth.co.uk, or by phone on 0151 236 4331 before our release.

Ian C Brown
JOINT LIQUIDATOR

Appendix 1

Ferotec Friction Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 18/10/2019 To 17/10/2020 £	From 18/10/2017 To 17/10/2020 £
	SECURED ASSETS		
40,000.00	Stock	NIL	7,500.00
(65,486.00)	Chargeholder: B & C Rolapp	NIL	(7,500.00)
		NIL	NIL
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	Refund of Bank Charges	125.00	125.00
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	Agents/Valuers Fees	NIL	8,377.00
	Bank Charges	126.19	151.19
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	Joint Liquidators Remuneration	NIL	40,587.50
	Legal Fees	230.00	10,994.93
	Office Holders Expenses	NIL	279.35
	Other Property Expenses	NIL	1,000.00
	Re-Direction of Mail	NIL	204.00
	Rents Payable	NIL	9,286.68
	Specific Bond	NIL	990.00
	Statement of Affairs Fee	NIL	9,250.00
	Stationery & Postage	184.32	212.27
	Statutory Advertising	350.56	495.06
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(704.00)	Pension Schemes	7.56	7.56
		(7.56)	(8,332.33)
	UNSECURED CREDITORS		
(3,331.00)	Customs & Excise	NIL	NIL
(280,450.00)	Ferotec Friction INC	NIL	NIL
(6,040.00)	H M Revenue & Customs	NIL	NIL
(66,107.97)	Loan Account	NIL	NIL
(91,336.44)	Trade & Expense Creditors	93,315.04	93,315.04
(42,319.00)	Wages in Lieu of Notice Claims	3,793.09	3,793.09
		(97,108.13)	(97,108.13)
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(314,913.41)		**(97,576.76)**	**0.00**
	REPRESENTED BY		
			NIL

Appendix 2

Parkin S Booth & Co

TIME & CHARGEOUT SUMMARIES F092 Ferotec Friction Ltd

To 17/10/2020

HOURS

Classification Of work Function	Partner / Insolvency Pract'	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	8.10	3.50	22.30	7.50	41.40	7,502.50	181.22
Investigations	2.00	0.00	4.00	0.00	6.00	1,200.00	200.00
Realisation of Assets	32.70	0.40	122.60	0.00	155.70	27,350.00	175.66
Creditors	14.30	8.90	65.60	6.70	95.50	16,065.00	168.22
Case Specific Matters	8.50	0.00	21.40	0.00	29.90	5,335.00	178.43
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	17,560.00	2,880.00	35,385.00	1,627.50		57,452.50	
Total Hours	65.60	12.80	235.90	14.20	328.50		
Average Rate	267.68	225.00	150.00	114.61			

Parkin S Booth & Co Charging Out Rates per hour from 2009

	From January 2009	From July 2015		From January 2009	From July 2015
Partner	£250	£300	*Salaried Partner / Insolvency Practitioner*	£210	£250
Senior Manager/Consultant	£180	£225	*Manager*	£150	£175
Case Manager	£120	£150	*Administrator*	£100	£100
Junior Administrator	£75	£75	*Support Staff*	£50	£50

Where it has been agreed by general resolution of the secured creditors, a creditors' committee or creditors generally, that the office holder's remuneration will be calculated by reference to the time properly given by the office holder and his staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes.

Standard Activity Examples of Work

Administration and Planning	Case planning Administrative set-up Appointment notification Maintenance of records Statutory reporting
Investigations	SIP2 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)

Appendix 3

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers . It does not give direct financial benefit to the creditors but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow. Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.

- Setting up physical/electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Seeking a decision from creditors on the basis of the office holder's remuneration.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing an annual progress report to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties.
- Preparing, reviewing and issuing a final account of the liquidation to creditors and members.
- Filing a final return at Companies House.

1. Creditors

Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). The office holder is required to undertake this work as part of their statutory functions.)

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.)

- Obtaining information from the case records about employee claims.
- Completing documentation for submission to the Redundancy Payments Office.
- Corresponding with employees regarding their claims.
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Calculating and paying a dividend to creditors and issuing the notice of declaration of dividend.