

**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

06370556

Name of Company

Diamond Floors Limited

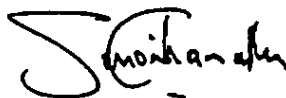
I / We
Simon David Chandler
45 Church Street
Birmingham
B3 2RT

Rebecca Jane Dacre
Tower Bridge House
St Katharine's Way
London
E1W 1DD

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 06/03/2015 to 05/03/2016

Signed



Date

28/4/16

Mazars LLP
45 Church Street
Birmingham
B3 2RT

Ref DIAMOND/SDC/RZD/EH/HZB/JZB/AZH

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COMPANIES HOUSE

DIAMOND FLOORS LIMITED - IN LIQUIDATION

Progress Report to Creditors & Members

This is the liquidators' annual progress report to all known creditors and members

1. Statutory information

- 1 1 I was appointed Joint Liquidator of the company together with Rebecca Jane Dacre at a meeting of creditors held on 6 March 2015. Our address is Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF
- 1 2 I am authorised to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association and Rebecca Jane Dacre is authorised in the UK by the Institute of Chartered Accountants in England and Wales
- 1 3 The company formerly traded from 3 premises, 16 High Street, Goring on Thames, Reading, RG8 9AR, 2a High Street, Watlington, Oxon OX49 5PS and Unit 1 Moses Winter Way, Hithercroft Road, Wallingford, Oxon, OX10 9FE
- 1 4 The business traded under the name Diamond Floors Limited
- 1 5 The registered office of the company is c/o Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF. Its registered number is 06370556

2. Details of progress

2 1 Motor Vehicles on Finance

The company owned three vehicles under hire purchase agreements, one with Liberty Leasing and two with ING lease

Although it was anticipated in the Director's Statement of Affairs that there was a small amount of equity in the vehicle subject to an agreement with Liberty Leasing, upon review by independent agent Kumar & Company Limited this was not the case. Liberty Leasing collected the vehicle as their settlement figure of £18,000 was substantially in excess of the value of the vehicle leaving no equity.

The two vehicles leased from ING Lease had equity and independent agents Kumar & Company Limited advised that the maximum realisation would be via a disposal to We Buy Any Car. Consent was received from ING Lease and the total sale achieved £17,607.82 of which £13,154.59 was paid to ING Lease being the balance due to them under the terms of their agreement. The surplus of £4,453.23 was received in the Liquidation.

2 2 Plant & Machinery, Computer Equipment

As per the Director's Statement of Affairs, the Plant & Machinery and Computer Equipment had a book value of £2,576 and an estimated to realise value of £2,000. Upon the advice of independent agents Kumar and Company Limited, the Company's Plant and Machinery was sold in an online auction. The sale of these assets realised £895.

2 3 Motor Vehicles

The company owned 10 non financed vehicles which had an estimated to realise value of £45,000 as per the director's statement of affairs. The vehicles were sold by independent agents, Kumar and Company Limited, in an online auction for the sum of £63,370

2 4 Stock

Stock consisted of flooring which had a cost value of £47,819. The estimated to realise value was uncertain due to various suppliers of the stock having provided notification that they had a Retention of Title ('ROT') claim. Legal advice was sought by the Liquidators in respect of ROT and the advice given was that title had passed to the customer where goods had been paid for in full and therefore suppliers could not claim ROT over these goods. All customers who had paid in full for their goods were invited to collect them and all suppliers of part paid for goods were invited to collect them.

After dealing with all ROT claims the remaining stock was put in an online auction by Kumar and Company Limited and realised a value of £4,760.00

2 5 Book Debts

The company had two outstanding book debts as per the records of the company for £1,250 and £100. The debtor owing £1,250 advised they had paid on 25 February 2015 and this was confirmed after checking the company's bank statements. The debtor owing £100 paid in full on 11 May 2015.

2 6 Director's Loan Account

The Director has an overdrawn loan account which was stated at £4,000 in his Statement of Affairs. As per the Statutory Information Pack presented to creditors, the final figure due was being calculated by the company's accountants Shennans Limited and so was subject to change. Shennans Limited were instructed to calculate the final loan account balance and recently advised that it amounted to £1,648. This is now being pursued from the director.

2 7 Cash at Bank

The company operated a current account with Barclays Bank plc. The sum of £10,100 on the Receipts and Payments account represents the credit balance on that account.

2 8 Sundry Refund

Several sundry refunds have been received from the DVLA totalling £731.25

2 9 Bank Interest Gross

Bank interest received to the anniversary date totals £57.45

2 10 Potential Unlawful Dividends

As per section 7, initial investigations into the company's affairs have been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.

A review of the company bank statements and accounts has identified potential unlawful dividends drawn by the sole shareholder. The investigations into this are ongoing and we are liaising with the shareholder to establish if there are any unlawful dividends, request further information and documentation where necessary and ultimately the repayment of any unlawful amounts for the benefit of the Liquidation creditors if it is proved that the dividends are unlawful.

I am not in a position to disclose any further information at this stage as my investigations are ongoing but further information will be reported to creditors in due course.

3. Receipts and payments Account

- 3.1 A summary of receipts and payments covering the period from the 6 March 2015 to 5 March 2016 is attached at Appendix A.

4. Liabilities

4.1 Secured Creditors

There are no secured creditors.

4.2 Preferential Creditors

As per the director's Statement of Affairs preferential claims were estimated at £2,245.24. Claims submitted and agreed amounted to £5,970.08. A first and final preferential dividend was paid to preferential creditors on 15 October 2015 in the sum of £5,970.08 representing a payment of 100p in the £.

4.3 Unsecured Creditors

As per the director's Statement of Affairs unsecured claims were estimated at £522,166.08 and total claims of £364,106.08 have been received. Unsecured claims received have not yet been agreed. It is anticipated that there will be a dividend to unsecured creditors but the quantum and timing is dependent upon the level of asset realisations.

5. Prescribed Part

- 5.1 In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 5.2 In this instance there is no floating charge creditor and therefore the prescribed part does not apply.

6. Costs of the Liquidation

Remuneration

- 6 1 You will recall that at the meeting of creditors held on 6 March 2015, a resolution was passed to enable the joint liquidators to draw remuneration by reference to the time properly given by the joint liquidators and their staff in attending to the matters arising in the winding-up
- 6 2 During the period covered by this report, Mazars LLP has incurred time costs of £31,672 50 This represents 192 hours at an average hourly rate of £164 96 An amount of £26,315 has been drawn during this period
- 6 3 Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case The rates are appropriate to the skills and experience of the team member and the work that they perform All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment Time is recorded in 6 minute units with supporting narrative to explain the work undertaken
- 6 4 Details of the charge out rates of the team members employed on the assignment during the period covered by this report are provided below Specialist departments within our firm, such as Receivables, Tax and VAT may charge a number of hours if and when their expert advice is required The rate ranges provided below incorporate these different rates

Grade of personnel	Current charge out rate per hour, effective from 1 September 2014
Partner	440 00
Director	390 00
Manager	215 00 – 260 00
Administrator	90 00 – 175 00
Cashier	100 00 – 130 00

- 6 5 I attach a summary of time spent during the period covered by this report in accordance with SIP9

6 6 Disbursements

During the period covered by this report the Liquidator has incurred disbursements in the sum of £935 32

- 6 7 An analysis of these disbursements is provided below

Type of disbursement	Amount paid in period £	Amounts incurred but not yet paid £	Shown in Liquidators disbursements on R&P
Statutory Advertising	283 00		141 50
Mileage*	77 85		77 85
Parking Costs	2 92		2 92
Mail Redirection	120 00		120 00
Bordereau	60 00	90 00	60 00

Storage	391.55		
	935.32	90.00	402.27

6.8 Of the above disbursements, the sum of £77.85 relates to Category 2 disbursements. These are disbursements which are not capable of precise identification or calculation and may include an element of shared or allocated costs and expenses incurred internally.

6.9 Creditors will recall that a resolution in respect of Category 2 disbursements was passed on 6 March 2015 by creditors. Details of the rates agreed are available on request.

6.10 **Expenses**

6.11 Professional advisors

6.12 The professional advisors used on this assignment are as follows:

Name	Nature of Work	Basis of fee Arrangement
Kumar and Company Limited	Site attendance, valuation, liaising with finance companies, advice on asset disposal and sale of company assets	Time costs basis of £9,094.85 plus disbursements of £7,078 plus VAT has been incurred and paid
Howes Percival Solicitors	Legal fees in respect of ROT advice	Fixed fee basis of £750 plus VAT has been incurred and paid

6.13 A significant amount of time and disbursements was incurred by Kumar & Company Limited in attending the premises, valuing the assets, dealing with the finance vehicles and finance companies, advising of the best disposal strategies and achieving the sales. Kumar & Company Limited are experienced in insolvency matters which is why they were chosen to undertake the assignment.

6.14 The Liquidators' choice was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

6.15 The liquidators have reviewed the fees incurred to date and are satisfied that they are reasonable in the circumstances of the case.

6.16 Other expenses

Transaction Fees

£149.98 was paid to We Buy Any Car Ltd being a £74.99 transaction fee in respect of the sale of the two hire purchase motor vehicles.

Other property expense – electricity

£321.32 was paid to EDF Energy Ltd for electricity at the premises at 16 High Street, Goring on Thames, Reading, RG8 9AR for the period from Liquidation to the date the lease on the property was disclaimed. This was due to being on site whilst dealing with the assets.

Insurance of assets

£768 50 was paid to JLT Group Plc in respect of the insurance of the company assets

Rent

£1,000 was paid to Alliance ERAS Ltd in respect of rent for the period 25 March 2015 to 24 April 2015. It was calculated that it was most beneficial for the assets to remain at the premises as opposed to incurring costs to remove them prior to the resolution of ROT matters and their ultimate sale. This allowed the maximum realisation for the benefit of the creditors.

- 6 17 I would advise you that pursuant to rule 4 49E of the Insolvency Rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the liquidator for further information about the remuneration and expenses set out in this progress report.
- 6 18 Additionally, pursuant to rule 4 131 of the Insolvency rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds
- the remuneration charged by the liquidators, or
 - the basis fixed for the liquidators' remuneration, or
 - expenses incurred by the liquidators

is or are in all of the circumstances, excessive or inappropriate

- 6 19 In accordance with SIP 9, a guide entitled "A creditors' guide to Liquidators' fees" is available to download from the website <http://www.insolvency-practitioners.org.uk/page.aspx?pageID=104> or alternatively will be provided free of charge upon written request to this office.

7. Investigations

- 7 1 An initial investigation into the company's affairs has been undertaken by the Liquidator in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.
- 7 2 Creditors are reminded that the Liquidator also has a statutory obligation to report on the conduct of any individuals who have been directors of the Company in the 3 years prior to the winding up to the Department for Business Innovation & Skills. The Liquidator can confirm that this obligation has been complied with.



S D Chandler

Joint Liquidator

Dated 28 April 2016

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

Diamond Floors Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 05/03/2016

S of A £		£	£
	HIRE PURCHASE		
8,000 00	Vehicle 1	8,342 50	
(7,688 00)	ING Limited	(5,712 40)	
13,000 00	Vehicle 2	9,265 32	
(12,388 00)	Liberty Finance	(7,442 19)	
6,200 00	Vehicle 3	NIL	
NIL	Finance Company	NIL	
			4,453 23
	ASSET REALISATIONS		
2,000 00	Plant & Machinery, Computer Equipment	895 00	
45,000 00	Motor Vehicles	63,370 00	
Uncertain	Stock	4,670 00	
1,350 00	Book Debts	100 00	
4,000 00	Director's Loan Account	NIL	
14,751 51	Cash at Bank	10,100 00	
	Rent	(1,000 00)	
	Sundry Refund	731 25	
	Bank Interest Gross	57 45	
			78,923 70
	COST OF REALISATIONS		
	Preparation of S of A	6,229 10	
	Other billing pre liquidation	4,462 00	
	Liquidator's Fees	26,315 00	
	Liquidator's Disbursements	402 27	
	Transaction fee	149 98	
	Agents Fees	9,094 85	
	Agents Disbursements	7,078 00	
	Legal Fees (1)	750 00	
	VAT Irrecoverable	1,666 67	
	Storage Costs	391 55	
	Statutory Advertising	141 50	
	Other property expenses - electricity	321 21	
	Insurance of Assets	768 50	
			(57,770 63)
	PREFERENTIAL CREDITORS		
	Redundancy Payment Service	5,970 08	
(2,245 24)	Employees Wage Arrears & Holiday Pay	NIL	
			(5,970 08)
	UNSECURED CREDITORS		
(466,718 22)	Trade & Expense Creditors	NIL	
(17,539 19)	Employees-Redundancy Pay & Lieu of No	NIL	
(7,663 43)	Barclays Bank plc	NIL	
(10,000 00)	HMRC re VAT	NIL	
(3,000 00)	HMRC re PAYE & NI	NIL	
(15,000 00)	HMRC re Corporation Tax	NIL	
			NIL
	DISTRIBUTIONS		
(1 00)	Ordinary Shareholders	NIL	

Diamond Floors Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 05/03/2016

S of A £	£	£
		NIL

(447,941.57)

19,636.22

REPRESENTED BY

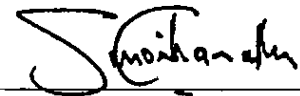
Vat Receivable

1,532.54

Floating Charge Current

18,103.68

19,636.22



Simon David Chandler
Joint Liquidator

DIAMOND FLOORS LIMITED - in Liquidation**Analysis of Liquidators' time costs for the period 06/03/2015 to 05/03/2016**

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Director	Manager	Administrator	Support			
2 Admin & Planning			0 20	11 30	0 10	11 60	£ 1,080 00	£ 93 10
3 Taxation	0 10	0 10	1 20	4 70		6 10	648 00	106 23
4 Investigations	2 10		16 40	21 80		40 30	6,412 00	159 11
5 Realisation of Assets	0 50	0 50	34 60	6 40		42 00	8,430 00	200 71
7 Employees	0 60		2 90	3 90		7 40	1,238 50	167 36
8 Creditors	0 30	1 00	19 20	23 60		44 10	6,853 00	155 40
9 Reporting				5 20		5 20	468 00	90 00
10 Distributions					0 20	0 20	20 00	100 00
11 Cashiering			3 00	5 60	7 90	16 50	2,079 00	126 00
12 Statutory & Compliance	5 50	0 10	6 50	5 90	0 60	18 60	4,444 00	238 92
Total Hours	9 10	1 70	84 00	88 40	8 80	192 00		
Total Time Costs (£)	4,004.00	659 50	18,060 00	7,961 00	988 00		31,672 50	
Av Hourly Rate	440 00	387 94	215.00	90.06	112 27			164 96