

Liquidator's Progress Report**S.192****Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

06488186

Name of Company

(a) Insert full name of
company

(a) FLEET INTERIORS LTD ✓

(b) Insert full name(s) and
address(es)

I (b)

Isobel Susan Brett of Bretts Business Recovery Limited, 21 Highfield Road, Dartford, Kent, DA1
2JSthe liquidator of the company attach a copy of my Progress Report under section 192 of the
Insolvency Act 1986

The Progress Report covers the period from 10 November 2015 to 9 November 2016

Signed



Date 5 January 2017

Presenter's name,
address and reference (if
any)Isobel Susan Brett
Bretts Business Recovery Limited
21 Highfield Road
Dartford
Kent
DA1 2JS

WEDNESDAY



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COMPANIES HOUSE

FLEET INTERIORS LTD IN CREDITORS VOLUNTARY LIQUIDATION

ANNUAL REPORT

5 JANUARY 2017

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1. INTRODUCTION

The purpose of this report is to detail the acts and dealings of the Liquidators and it should be read in conjunction with previous correspondence to Creditors

2. BACKGROUND

Company Number: 06488186
Date of Incorporation: 30 January 2008
Nature of Business: Builders and Contractors
Former Registered Office and trading address :
Unit 8 May Avenue Industrial Estate
May Avenue
Northfleet, Kent, DA11 8RU

Directors in the last 3 years:

Tony Warren	Appointed on 30 January 2008	
Glen Greenwell	Appointed on 25 July 2011	
Eamonn Thomas Tighe	Appointed 30 January 2008	Resigned on 20 June 2014

Debentures: Ett Projects Limited – Fixed and Floating Charge
Created 22 May 2015 Registered 2 June 2015

Shareholders:	Mr Tony Warren	38 Ordinary A Shares
	Mr Eamonn Tighe	38 Ordinary A Shares
	Mr Glen Greenwell	25 Ordinary B Shares

Associated, Parent or Subsidiary Companies: ETT Projects Ltd ("ETT")
Topdesk Ltd
CIAD Building Services Ltd

Appointment Details

Name of Liquidator: Isobel Susan Brett
Address of Liquidator: 141 Parrock Street, Gravesend, Kent, DA12 1EY
Date of Appointment of Liquidator: 28 October 2015

Reasons for the failure of the company

The directors attributed the reasons for the failure of the Company to more than expected costs on certain projects, rumours spread by former employees/subcontractors, increased pressure from company creditors and a lack of working capital

3. ADMINISTRATION AND PLANNING (INCLUDING STATUTORY REPORTING)

As Liquidator, I am required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the liquidation, which ensures that I and my staff carry out our work to high professional standards. The narrative detail in respect of these tasks may be found in Appendix 3

4. ASSET REALISATIONS

The Liquidator's Receipts and Payment account for the period from 10 November 2015 to 9 November 2016 is attached at Appendix 1

According to the statement of affairs lodged in these proceedings, the assets of the company had an estimated value of £210,137 00, which comprised principally of the following -

Asset Name	Est. To Realise £	Realised To Date £
WIP	23,597 00	0 00
Book Debts	141,035 00	26,221 45
Cash at Bank	50,209 00	50,202 89
Bank Interest Gross	0 00	80 94
Bank Interest Net of Tax	0 00	29 22
Loans & Advances	833 00	0 00
Retentions	24,443 00	0 00
Total	240,117.00	76,534.50

I have detailed below key information in respect of asset realisations, however, more detailed narrative about the work undertaken may be found at Appendix 3

Assets

ETT, a connected company by virtue of common shareholding, had secured an all assets debenture including a fixed and floating charge. Company assets that are subject to a fixed and floating charge are detailed below -

Trade Debts, Retentions & Work In Progress ("WIP")

Following the liquidation of the Company, I instructed the former surveyor, Uprise Limited, to review and pursue the unpaid accounts in relation to book debts, WIP and retentions. It was previously estimated that the liquidator would be in a position to recover some £189,074 from the above assets. However, no significant progress has been made as regards to these assets as most of the clients/debtors have claimed for breach of contracts and damages. Some of the clients applied set off against the retentions held by them. I managed to collect £26,221 45 from these assets after carrying out some remedial/ remaining works. There were a few disputed debts with minimal value which I consider as uneconomical to pursue. Negotiations are still ongoing with some of the remaining debtors, however the amount recoverable from these assets remain as uncertain. Further legal actions are being considered against the potential debtors, but subject to the recommendation of the surveyor. The situation is currently under review.

Furniture and Equipment

Most of the Company's furniture and equipment were old and included computer and office equipment. These assets had a book value of £991 and were estimated to realise NIL, on a forced sale basis. No recovery was possible from this source as the costs of removal/ marketing /sale etc outweighed any potential benefits that would have been achievable.

Prepayments

I reviewed the company documentation as regards the prepayments made by the company. However, there was insufficient information to pursue this matter further. No recovery is possible from this source.

Cash at bank.

I realised cash at bank of £50,202 89. No further realisation is expected.

Loans and Advance

It was previously indicated that there were payments to the employees under the 'Ride to Work' scheme. Upon further enquiry, I have been clarified that the Company entered into an agreement

company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An office holder has to set aside

50% of the first £10,000 of the net property, and
20% of the remaining net property up to a maximum of £600,000

I shall report the likely quantum of the prescribed part available to the unsecured creditors once I have finalised the amount owed to /due from the secured creditor, if any

No funds have been distributed to any secured creditors during the anniversary

Preferential creditors

The Company's preferential creditors comprised principally of its employees for accrued unpaid holiday pay and outstanding wages. There was no claim for contributions to the occupational pension scheme and/or state scheme premiums.

The preferential claims are subject to statutory limit set under the provision of the insolvency legislation. The total preferential amount payable to 3 employees were estimated at £2,000.00. Following my appointment, I forwarded the employees' claims to the Insolvency Services' Redundancy Payment Office ("RPO") to advance payment from the National Insurance Funds. Subsequent the RPO submitted a claim in the liquidation for £30.69 in respect of their subrogated preferential claim for the payments advanced to the employees.

I have previously contacted the employees to understand whether they have any further claim in this liquidation in respect of any possible shortfall. The last day to submit their preferential claim has expired on 20 November 2016. Accordingly, I have now declared a dividend of 100p in the pound to preferential creditors. The dividend cheque to preferential creditors with agreed claim will be sent separately. Those preferential creditors who have not submitted a claim in this liquidation will be excluded from receiving any future preferential dividend.

Employees should note that their remaining balance/shortfall owed to the employees above the preferential claim would rank as an unsecured claim in this liquidation.

Unsecured creditors

Creditors' claims, as per the statement of affairs totalled £393,281.28

I have received claims from twenty creditors totalling £228,104.37, of which £60,000 relates a disputed claim submitted by the liquidator of Bespoke Contractors MK Ltd.

I will undertake the task of agreeing creditors' claim once I have finalised the amount payable to ETT under the debenture and am certain of a dividend being paid to this class of creditor.

DIVIDENDS

During the anniversary period, no dividend has been declared to any class of creditor.

In summary, I have declared a dividend of 100p in the pound to preferential creditors.

If the secured creditor's claims are invalid, then unsecured creditors with agreed claim may receive a small dividend out of the liquidation.

In the event that it may be possible to pay a dividend to unsecured creditors it is essential that you complete and return the proof of debt form attached with this report.

7. COSTS AND EXPENSES

The payments shown on the summary of the Receipts and Payments Account at Appendix-1 are self-explanatory.

Pre-Appointment Remuneration

The board previously authorised the payment of a fee of £5,000 plus VAT and disbursements for assistance with preparing the statement of affairs and producing and circulating the notices for the meetings of members and creditors prior to my appointment at a creditors' meeting held on 10 November 2015

Accordingly, the pre-liquidation costs have been drawn from the assets of the company

Liquidator's Remuneration

If a time costs basis is sought in respect of liquidator's remuneration, it is a requirement under Rule 4 127 (2A) and (2B) of the Insolvency Rules 1986 as amended that the creditors of the Company be provided with a fee/expense estimate

Accordingly, my initial fee estimate in relation to this assignment of £18,084 for 97 50 hours at an average hourly rate of £185 48 was previously approved on a time cost basis, by the creditors in accordance with the following postal resolutions passed on 7 January 2016

- That the Liquidator shall be authorised to draw her remuneration based upon her time costs by reference to the time properly given by the Liquidator and her staff, in attending to matters arising in the liquidation at Bretts Business Recovery Limited's standard hourly rates, at the rates prevailing at the time the work is done, such remuneration to be paid out of the assets of the company and which may be drawn on account as and when funds permit
- That the liquidator be authorised to recover her disbursements and expenses which may include an element of shared or allocated costs (known as Category 2 Disbursements) and which are set out in the creditors guide to fees

Summary of Costs

The Liquidator's time costs for the period from 10 November 2015 to 09 November 2016 totals £15,757 00 representing 79 20 hours at an average hourly rate of £198 95 A summary of my time costs is attached at Appendix 3 I have drawn £9,000 from the Company's assets during the anniversary period and is shown in the enclosed Receipts and Payments account I have drawn a further sum of £6,500 plus VAT shortly after the anniversary period The balance of my time costs remains to be recovered from the liquidation estate

It is estimated that I will incur a further fee of some £15,000- £20,000 plus VAT before the finalisation of the pending matters including a final dividend distribution to creditors A narrative description of the future anticipated work is attached at Appendix-4 I will only revert to creditors for further fee approval if I propose to draw any additional fees from the insolvent estate

Information about this insolvency process may be found on the R3 website here <http://www.creditorinsolvencyguide.co.uk> A copy of 'A Creditors Guide to Liquidators' Fees' together with the firms charge-out rate and disbursement policy may be found at <http://www.brettsbr.co.uk/cglf> A hard copy of the creditors guide may be obtained on request

Liquidator's Expenses

My expenses to 9 November 2016 amount to £798 14 The following category one expenditure has been incurred and reimbursed during the period covered by this report

Type of expense	£
Advertising	116 42
Computer Licence	155 00
Insolvency Bond	396 00

The following category two expenditure (which includes an element of shared or allocated costs) has been incurred and reimbursed during the period covered by this report

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Type of expense	£
Stationery	91 20
Postage	39 52

Other professional Costs

The choice of professionals was based on my perception of their experience and ability to perform the type of the work and the complexity and nature of the assignment. Their fees are treated as an expense in the liquidation estate.

The following professionals have been utilised in this assignment

- **Legal Fees**

I instructed Stevendrakes Solicitors to verify/advise me on the validity of the debenture granted to ETT and to review the preferential payments to them. Their fees have been agreed on the basis of their standard rates plus VAT and disbursements. Their fee has been paid out of the liquidation estate as an expense.

- **Agents Costs**

I instructed Uprise Ltd to assist me with the realisation of the books debts/WIP and retentions. Their costs have been agreed on the basis of their standard rate plus 20% of gross realisable value plus VAT and disbursements. These costs have been paid as an expense of the liquidation.

8. 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.

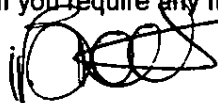
An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred,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

9. CONCLUSION

I will continue with the administration of the liquidation and hope to finalise the pending matters as soon as possible. Should you have any queries regarding this matter please contact Riji Gopinathan at this office.

Finally, as an Insolvency Practitioner, when carrying out all professional work relating to an insolvency appointment, I am bound by the Insolvency Code of Ethics, as well as by the regulations of my professional body. More details about these matters and general information about Bretts Business Recovery Limited that is of relevance to creditors can be found at <http://www.brettsbr.co.uk/insolvency-rules/servicesregulations/>

If you require any further information please contact Isobel Susan Brett on 01474 532862



Isobel Susan Brett
Liquidator

Appendix-1

**Fleet Interiors Ltd - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments**

From 10 November 2015 to 9 November 2016

S of A £		£
	RECEIPTS	
141,035	Book Debts	26,221 45
23,597	WIP	NIL
50,209	Cash at Bank	50,202 89
NIL	Bank Interest Gross	80 94
NIL	Bank Interest Net of Tax	29 22
833	Loans & Advances	NIL
24,443	Sundry- Debtors Retention	NIL
<u>240,117</u>		<u>76,534 50</u>
	PAYMENTS	
	Statement of Affairs Fee	5,000 00
	Office Holder's Fees	9,000 00
	Pre-Liquidation Disbursements	122 47
	Office Holder's Expenses	130 72
	Legal Fees	5,288 30
	Statutory Advertising	116 42
	Licence Fees	155 00
	Vat Receivable	5,063 88
	Specific Bond	396 00
		<u>25,272 79</u>
	CASH IN HAND	<u>51,261 71</u>

APPENDIX 2

Summary of the Time-costs

A general analysis of the time charged confirms that work has been undertaken in the following areas for the period 10 November 2015 to 9 November 2016 -

HOURS						Time Costs Charged	Average Hourly Rate
Classification of Work	Partner	Manager	Administrators	Assistants & Support Staff	Total Hours	£	£
Administration and Planning	2 30	0 00	15 90	5 30	23 50	4698 00	199 91
Investigations	1 50	0 00	11 90	11 60	25 00	4323 00	172 92
Realisation of Assets	1 50	0 00	13 20	0 00	14 70	3328 00	226 39
Creditors	0 40	0 00	15 60	0 00	16 00	3408 00	213 00
Total	5 70	0 00	56 60	16 90	79 20	15,757 00	198 95

Staff Charge-Out Rates

Unless they are otherwise fixed in accordance with the Insolvency Act 1986, an Offices Holders fees are charged by reference to time costs, as incurred, charged at the firms usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of Bretts Business Recovery Ltd and such changes will be notified in retrospect with each report to Creditors. Staff time is charged in units of six minutes and as from 1st January 2016 the maximum rates applicable are.

GRADE	HOURLY RATE FROM 1 ST DECEMBER 2012	HOURLY RATE FROM 1 ST JANUARY 2016
	£	£
Partner	300	325
Senior Manager	250	275
Manager	225	250
Senior Administrator (Grade 1)	200	220
Senior Administrator (Grade 2)	175	190
Administrator (Grade 1)	150	175
Administrator (Grade 2)	125	140
Administrator (Grade 3)	90	110

APPENDIX 3**Time-cost Report for the review period from 10 November 2015 to 9 November 2016.**

Below is detailed information about the tasks undertaken as part of my duties as Liquidator

General Description	Includes	No. of Hours during the period from 10/11/15 to 9/11/16	Blended hourly rate during the period from 10/11/2015 to 09/11/16	Total during the period from 10/11/2015 to 09/11/16
Administration and Planning (including statutory compliance)				
Estimated		58.30	193.82	11,299.50
Actual incurred during the anniversary period		23.50	199.91	4,698.00
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements			
General Administration	Time sheets – Review and update Receipts and payments – Review and update Invoicing – Review of time costs and disbursements – dealing with all routing correspondence and emails relating to the case Obtaining a specific penalty bond			
Document maintenance/file review/checklist	Filing of documents Overseeing and controlling the work done on the case by case administrators Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists			
Bank account administration	Opening, maintaining and managing the office holder's estate bank account Undertaking regular bank reconciliations of the bank account containing estate funds Reviewing the adequacy of the specific penalty bond on a quarterly basis			
Creditor reports	Fee/Disbursements Approval – Calculate Fee estimates Preparing annual progress report, investigation, meeting and general reports to creditors (as applicable) Preparing, reviewing and issuing draft final reports to creditors and members Communication with Creditors – Section 98 Report/annual Report/Draft Final Report/Fee Approval			

General Description	Includes	No. of Hours during the period from 10/11/15 to 9/11/16	Blended hourly rate during the period from 10/11/2015 to 09/11/16	Total during the period from 10/11/2015 to 09/11/16
Meeting of Creditors	Convening and holding final meetings of creditors and members Preparation of meeting notices, proxies/voting forms and advertisements Notice of Final meeting to all known creditors Collate and examine all proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, Attendance Register, Proxy Schedule, Minutes of Meeting			
Investigations				
Estimated		24.30	185.93	4518.00
Actual incurred during the anniversary period		25.00	172.92	4,323.00
SIP 2 Review	Recovering the books and records for the case Listing the books and records recovered Review of book and records and completion of SIP-2 Investigation Check List Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, including but not limited to bank, accountant, solicitors, etc Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Review of specific transactions and liaising with directors regarding certain transactions			
Statutory reporting on conduct of director(s)	Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act Liaising with Insolvency Service Preparation and submission of supplementary report if required Assisting the Insolvency Service with its investigations			
Realisation of Assets				
Estimated		24.40	205.12	5,005.00
Actual incurred during the anniversary period		14.70	226.39	3,328.00
GENERAL MATTERS	Reviewing asset listings Arranging suitable insurance over assets Regularly monitoring the suitability and appropriateness of the insurance cover in place			

General Description	Includes	No. of Hours during the period from 10/11/15 to 9/11/16	Blended hourly rate during the period from 10/11/2015 to 09/11/16	Total during the period from 10/11/2015 to 09/11/16
Debtors	Collecting supporting information Entering data on the practice's electronic case management system Liaising with debt collectors and solicitors Correspondence with debtors Reviewing and assessing debtors' ledgers Receiving updates from factoring companies and liaising reassignment of ledger Agreeing debt collection agency agreements Dealing with disputes, including communicating with debtor Submitting VAT bad debt relief claims			
Cash at Bank	Liaising with the bank regarding the closure of the account			
Loans and Advances	Collecting supporting documentation			
Other assets	Possible Asset tracing			
Retentions	Strategy meeting regarding litigation Corresponding with debtors and attempting to collect outstanding book debts Collecting supporting documentation Entering data on the practice's electronic case management system Liaising with debt collectors and solicitors			
Creditors				
Estimated		10.80	187.24	8,882.50
Actual incurred during the anniversary period		16.00	213.00	3,408.00
Employee Matters	Obtaining information from the case records about employee Completing documentation for submission to the Redundancy Payments Office Corresponding with employees regarding their claims Liaising with the Redundancy Payments Office regarding employee claims			
Creditor Communication	Dealing with creditor correspondence, emails and telephone conversations regarding their claims Liaising with secured creditor and landlords Preparation of correspondence to potential creditors inviting submission of POD Maintaining up to date creditor information on the case management system			
Dealing with proofs of debt	Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend			

General Description	Includes	No. of Hours during the period from 10/11/15 to 9/11/16	Blended hourly rate during the period from 10/11/2015 to 09/11/16	Total during the period from 10/11/2015 to 09/11/16
Processing proofs of debt	Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims Preparation of correspondence to claimant advising outcome of adjudication (including rejection if any) Agreeing Preferential Creditors Claims Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims Adjudicate Secured Creditors claim Calculate Prescribed Part			
Dividend procedures	Issuing a notice of intended dividend and placing an appropriate gazette notice Calculating of dividend to creditors Preparation of cheques/BACS to pay distribution/Distribution letters to Creditors Paying tax deducted from the dividends paid to employees Paying distribution to secured creditors and seeking confirmation of discharged claims Dealing with unclaimed dividends			
Total				
Estimated		154.44	192.34	29,705.00
Actual incurred during the Anniversary Period		79.20	198.95	15,757.00

Appendix- 4

Minimum Anticipated works to undertake to conclude the liquidation.

Administration and Planning	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements Submission of relevant documentation at Companies House
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Maintenance of the estate cash book Bank account reconciliations Correspondence with bank regarding specific transfers, closure of accounts etc Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Progress reports	Preparing progress report, to creditors
Investigation	Further investigation if necessary Review preferential payments made to ETT Liaise with the solicitors and company directors
Realisation of Assets	Negotiate/recover preferential payments Legal actions, as applicable
Creditors	Communication and correspondence with creditors Progress/draft final report to creditors etc Receive and follow up creditor enquiries via telephone
Dividend procedures	Issuing a notice of intended dividend and placing an appropriate gazette notice Calculation of preferential payments Agreeing/adjudicating creditors' claims Correspondence with creditors as regards their claim Dividend payments to creditors as applicable Preparation of cheques/BACS to pay distribution/Distribution letters to Creditors Paying tax deducted from the dividends paid to employees Paying distribution to secured creditors and seeking confirmation of discharged claims Dealing with unclaimed dividends
Closure Formalities	Draft Final report to creditors/debtor Advertise Final Meeting at London Gazette Convene Final Meeting of creditors Prepare Final Report and Meeting Documentation Submission of Final Report to Companies House Final File Review Release Bond Arrange Storage of Case File