

**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

07605236

Name of Company

(a) Insert full name of  
company

(a) Commercial Coating Services (UK) Limited

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

I (b)

Jonathan Lord of Bridgestones Ltd, 125/127 Union Street, Oldham, Lancashire, OL1 1TE,  
United Kingdom.the 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 6<sup>th</sup> August 2015 to 5<sup>th</sup> August 2016

Signed

Date 14<sup>th</sup> September 2016Presenter's name,  
address and reference (if  
any)Jonathan Lord  
Bridgestones Ltd  
125/127 Union Street  
Oldham  
Lancashire  
OL1 1TE  
United Kingdom

SATURDAY



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14/07/2018

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COMPANIES HOUSE

**COMMERCIAL COATING SERVICES (UK) LIMITED – IN LIQUIDATION**

**PROGRESS REPORT AND ACCOUNT OF THE LIQUIDATOR PURSUANT TO  
SECTION 104A OF THE INSOLVENCY ACT 1986**

**PERIOD: 6<sup>TH</sup> AUGUST 2015 TO 5<sup>TH</sup> AUGUST 2016**

I write following my appointment as Liquidator of the above Company on 6<sup>th</sup> August 2015.

It is now 1 year since my appointment in this matter, and I am therefore writing to all members and creditors in accordance with Section 104A of The Insolvency Act 1986, to advise you of my dealings in the liquidation and to lay before you an account of my receipts and payments.

I enclose for your information a copy of my receipts and payments account for the period ended 5<sup>th</sup> August 2016. The receipts and payments account is self-explanatory and there is a balance in hand of £65.71

As regards to specific matters within the course of my appointment, I comment as follows.

**Background Information**

Company Number:	07605236
Directors:	Harry Stuart Wilson Paul Martin Ferns
Nature of Business:	Commercial Coating
Trading Address:	Hollingwood Road, Bredbury Stockport SK6 2AZ
Current Registered Office:	125 / 127 Union Street Oldham OL1 1TE
Liquidator:	Jonathan Guy Lord
Liquidators Address:	125 / 127 Union Street Oldham OL1 1TE
Date of Instruction:	13 <sup>th</sup> April 2015
Date of Appointment:	6 <sup>th</sup> August 2015

## **Assets – Details Of Realisations To Date, And Any Assets That Remain To Be Realised**

The following assets were listed on the Company's statement of affairs, which was drawn up to the date of liquidation. I have made comments in relation to the progress made in collection of each asset.

### **Cash at Bank**

At the time of cessation of trade, it was anticipated that the Company's bank account with Barclays Bank Plc held a nil balance.

However, following my appointment as Liquidator, credits were made into the Company's account in relation to works carried out prior to cessation of trade.

An amount of 31,496.41 was subsequently recovered for the benefit of the liquidation.

No further realisations are expected in this regard.

### **Physical Assets – Statement of Affairs value £4,500**

As per the Company's statement of affairs, as at the date of liquidation, the Company held physical assets with an estimated to realise value of £4,500.

These assets included aged plant and machinery as well as dated office and computer equipment.

An offer was made to purchase these assets by CCS (Int) Limited, a company under the control of Mr Paul Ferns and Mr Harry Wilson, for the sum of £4,000 + VAT.

This offer was duly accepted on the grounds that it represented the best outcome for the liquidation on the basis that no costs were incurred by way of having the items uplifted, stored and sold through auction.

The sale was deemed to have been completed on the 13<sup>th</sup> August 2015 and as such no further realisations are expected in this regard.

### **Director's Loan Account – Statement of Affairs value £0**

The company's last filed accounts, for the year ending 30<sup>th</sup> April 2014, showed that an amount of £4,714 was due to the Company by way of overdrawn director's loan accounts.

Following communications with the Directors, I was advised that these loans had since been repaid and as such no longer remained outstanding.

My investigations into this matter remain ongoing at this time, however it is uncertain as to whether this will result in any funds being realised for the benefit of the liquidation.

### **Prescribed Part**

There are provisions of the insolvency legislation that require a Liquidator, to set aside a percentage of a company's assets, for the benefit of the unsecured creditors in cases where the company gave a qualifying 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 which is left after paying the preferential creditors, but before paying the lender who holds a floating charge.

A Liquidator, 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.

There is no qualifying floating charge in this case so the prescribed part provisions do not apply.

### **Bank Interest, Net of Tax**

Funds received by the Liquidator are lodged in an interest bearing account in the Company's name. Interest credited to this account becomes a receipt in the Liquidation. A sum of £0.10 has been received in this regard.

### **VAT Receipts**

The VAT aspect of Vat rated expenses incurred in the running of the Liquidation is reclaimable as a VAT Refund. If money is available in the estate account to pay these expenses, then the subsequent VAT refund is a receipt of the Liquidation. A sum of £800 has been received in this regard. The VAT refund represents expenses incurred after the Company entered Liquidation, and bears no relation to any claim the H M Revenue and Customs have lodged.

### **Duties and Investigations**

A description of the routine work undertaken in the liquidation to date is as follows:

#### **Administration and Planning**

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details.
- Review and storage.
- Case bordereau.
- Case planning and administration.
- Preparing reports to members and creditors.
- Convening and holding meetings of members and creditors.

#### **Creditors**

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to creditors.
- Maintaining creditor information.
- Reviewing and adjudicating on proofs of debt received from creditors.
- Dealing with employee's claims from the redundancy payments fund, and other enquiries generated from employee's requirements.
- Generating P45, P35 and P60 Forms or dealing with the lack of information available to produce these documents.

#### **Investigations**

- Review and storage of books and records.

- Preparing a return pursuant to the Company Directors Disqualification Act.
- Conducting investigations into the affairs of the Company.
- *Reviewing books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors.*
- Reviewing books and records and accounts to ensure that all assets have been disclosed, and obtaining explanations for any discrepancies revealed.

### **Realisation of Assets**

- Corresponding with debtors and, if appropriate, collection agents, and attempting to collect outstanding book debts.
- Liaising with the Company's bank regarding the closure of the account.
- Investigating whether additional recoveries could be made resulting in *potential realisations from the sale of assets prior to the Liquidator's appointment.*
- Liaising with valuation and disposal agents to dispose of physical and intellectual property assets.

### **Cashiering**

- Maintaining and managing the Liquidator's cashbook and bank account.
- Ensuring statutory lodgements and tax reporting obligations are met.

As well as realising assets and investigating the affairs of the Company, my other duties as Liquidator include the adjudication and admission of creditors' claims, assisting employees with pursuing claims from the Redundancy Payment Fund, where appropriate, and receiving and answering queries from creditors and interested parties.

In view of the low prospects of a repayment to creditors in this matter, and in order to reduce costs, I do not propose to spend time formally agreeing claims. I will hold claims, and I will only adjudicate on their validity if it becomes likely that a dividend will be paid.

I have dealt with investigations into the Company's practices and the reason behind the Company's failure.

*I have undertaken a preliminary review of the Company's financial records and minutes for the 6 months prior to liquidation to identify any unusual or exceptional transactions.*

I have compared the information within the statement of affairs with the last accounts produced by the Company to ascertain whether all significant assets can be identified *and material movements in asset values can be explained.*

I have undertaken work compulsory to my position, which includes submissions of returns to HM Revenue & Customs (where relevant), Companies House and specific penalty bonding. This is not an exhaustive list of my duties.

*I have undertaken an investigation into the affairs of the Company and the conduct of the Directors. In accordance with my statutory duty I have submitted a Conduct Report to the Insolvency Services of the Department of Trade and Industry pursuant to the Company Directors Disqualification Act 1986 regarding the director. This report is confidential so I cannot disclose its content.*

### **Outcome of investigation**

My investigations currently remain ongoing at this time and are focused upon the position of the potential outstanding directors loan accounts, as well as other transactions entered into by the Company in the period prior to cessation of trade.

It is uncertain as to whether these investigations will result in any funds becoming available for the benefit of the Company's creditors.

### **Progress Of Liquidation**

Since my appointment I have realised the assets detailed above, and carried out the duties and investigations listed above. I have attached to this report a copy of my receipts and payments account for the period since my appointment.

### **Liquidation Income and Expenditure**

Below is an explanation of the various headings shown on the attached receipts and payments account

#### **Receipts**

Funds have been received into the liquidation account detailed above.

#### **Payments**

Payments have been made from the liquidation account, as detailed below:

#### **Specific Bond**

This is an insurance policy taken out by the insolvency practitioner. This policy covers the value of the assets within the liquidation against possible theft by the insolvency practitioner responsible. It is required by law to be taken out in any case where there are assets and is for the benefit of the creditors.

#### **Public Notices**

The liquidation must be advertised at various times in The London Gazette by law. These entries represent the costs associated with placing the advertisements.

#### **Bank Charges**

All funds received into the liquidation are banked into an interest bearing account opened in the Company's name. A fee is imposed by the bank for the operation of this account. To date the sum of £2.40 has been paid in this regard.

#### **Liquidator's Remuneration**

At the first creditors meeting held on 6<sup>th</sup> August 2015 under Section 98 of the Insolvency Act 1986 a resolution was passed stating:

- That the Liquidator be allowed to draw his remuneration on a time cost basis out of funds that are realised.

For the information of the creditors, the total time costs to date relating to work performed by myself and my staff in administering to the liquidation is £8,549 which

equates to 29.75 hours charged at an average rate of £287.36 per hour. A schedule of my time costs incurred to date is attached.

So far I have drawn remuneration of £1,428.40 which leaves a balance owing of £7,120.60.

### **Liquidator's Outlays**

Expenditure relating to the administration of the estate which is payable to a third party is recoverable from the estate without creditor consent.

If funds were available; costs such as these have been paid via the Company's estate. If funds were not available, then my firm has paid these costs, with a view to reimbursement, should estate funds be realised.

Third party assistance has been sought on the basis that the advisors have the relevant experience and qualifications to deal with matters that are beyond my realm of expertise.

### **Liquidator's Disbursements**

At the first creditors meeting held on 6<sup>th</sup> August 2015 under Section 98 of the Insolvency Act 1986 a resolution was passed stating:

- The Liquidator will draw disbursements relating to work carried out. These fees will cover all category 2 disbursements as classified in the "Creditors Guide to Insolvency Practitioner's Fees" and will be based on the following charges:

Photocopying	15p per copy
Box Storage	£2.50 per month
Printed Paper	15p per sheet
Copy Paper	10p per sheet
Mileage	10p – 40p per mile
Room Hire	£60 per half day

Although the following category 2 disbursements have been accrued within this reporting period, due to a lack of realisations these have not been drawn:

Printed Paper	£7.35 being 49 sheets at £0.15 per sheet
Copy Paper	£11.90 being 119 sheets at £0.10 per sheet
Box Storage	£12.50 being 1 box at £2.50 per month

### **Basis of Remuneration**

In accordance with Rule 4.127, the Liquidator's remuneration has been fixed by reference to the time properly given by the Liquidator and his staff in attending to matters arising in the winding up.

### **Preparation of the Statement of Affairs**

At the meeting of creditors, held on 6<sup>th</sup> August 2015 under Section 98 of the Insolvency Act 1986, it was authorised that Bridgestones be paid £4,000 + VAT plus disbursements, as a deposit for costs for their assistance in the preparation of the Statement of Affairs and convening of the meeting.

In accordance with Rule 4.62 of the Insolvency Rules 1986, the costs and expenses of summoning the first meeting of creditors and contributories is an expense of the liquidation.

A third party has paid this amount.

### **Remaining Balance**

An amount of £65.71 remains in the estate. It is not intended to make a distribution of these funds to creditors at this time. It is my intention to draw this remaining balance in the near future to defray my outstanding time costs and other expenses associated with the closure of the case.

### **Dividend Prospects**

Unsecured claims totalling £92,414.31 have been received, compared to the Statement of Affairs figure of £48,456.81.

This variation is the result of a number of creditors, originally listed on the estimated statement of affairs, not having submitted proof of claims in this regard, subsequent to the creditor's meeting. The main creditor being HMRC VAT who were listed on the statement of affairs as being owed £29,117.00.

This variation is also the result of a number of creditors, not listed on the original estimated statement of affairs, having submitted proofs of claim subsequent to the creditor's meeting. The main creditor, by value, being creditor HMRC Integrated Claim to the sum of £88,139.58.

Due to lack of realisations no dividend is due to any class of creditors.

### **Summary**

The liquidation will remain open until the matters concerning my outstanding investigations have been resolved, which I anticipate will be concluded in the next 12 months. When investigations are concluded a final meeting of creditors will be convened to seek the release of the Liquidator in this matter.

If these matters are not resolved within the next 12 months, a further annual progress report will be issued.

### **Creditor's Rights To Object To The Content Of This Report Under the Insolvency Act 1986 and The Insolvency Rules 1986 (As Amended)**

In accordance with Rule 4.49E of the Insolvency Rules, within 21 Days of receipt of this report

- 1 A secured creditor
- 2 An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question)
- 3 With the permission of the Court upon an application made within 21 days any unsecured creditor

Is allowed to make a request in writing to the Liquidator for further information about the remuneration or expenses set out in a progress report in accordance with rule 4.49C.



The Liquidator must then comply with the request by providing the information requested, or respond explaining that so far as the Liquidator considers

- 1 The time or cost of preparation of the information would be excessive
- 2 Disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person
- 3 The Liquidator is subject to an obligation of confidentiality in respect of the information

Giving reasons for not providing all the information.

Also any secured creditor or unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more order as set out below.

Application may be made on the grounds that –

- 1 The remuneration charged by the Liquidator
- 2 The basis fixed for the Liquidator's remuneration under Rule 4.127
- 3 Expenses incurred by the Liquidator


Is or are, in all the circumstances, excessive or, inappropriate.

The application must be made within 8 weeks of receiving this report.

For further details, refer to the Insolvency Act 1986 and The Insolvency Rules 1986 (as amended).

If you wish to raise any questions upon the contents of this report, then please feel free to attend the meetings, or alternatively, contact me at the above address.

If you require any further information, please do not hesitate to contact Lindsey Hall of this office.



**Jonathan Lord – MIPA**  
**Liquidator**  
**Commercial Coating Services (UK) Limited**

No

Analysis of Time Costs for the Period from 6 August 2015 to 5 August 2016

Classification of work function	Hours								Average Hourly Rate (£)
	Insolvency Practitioner	Director	Senior Manager	Manager	Case Administrator	Cashiering	Support Staff	Total Hours	Time Costs (£)
Administration and Planning	1.00	0.00	0.45	0.00	0.00	0.00	0.00	1.65	570.00
Creditors	2.50	0.00	7.00	0.00	0.00	0.00	0.00	9.50	2,755.00
Investigation	4.00	0.00	14.60	0.00	0.00	0.00	0.00	18.60	5,224.00
Total Hours	7.50	0.00	22.05	0.00	0.00	0.00	0.00	29.75	8,549.00
Total Fees Claimed (£)	3,225.00	0.00	5,292.00	0.00	0.00	0.00	0.00		

Hourly Rate Range	From	To
Insolvency Practitioner	430.00	430.00
Director	0.00	0.00
Senior Manager	240.00	240.00
Manager	0.00	0.00
Case Administrator	0.00	0.00
Cashier	0.00	0.00
Assistants & Support Staff	0.00	0.00

**Commercial Coating Services (UK) Limited - In Creditors Voluntary Liquidation**  
**Liquidator's Abstract of Receipts & Payments**

**From 06 August 2015 To 05 August 2016**

<b>S of A £</b>		<b>As Previously Reported</b>	<b>06/08/15 to 05/08/16</b>	<b>Total £</b>
	<b>RECEIPTS</b>			
4,500	Plant & Machinery	NIL	4,000.00	4,000.00
NIL	Cash at Bank	NIL	1,496.41	1,496.41
NIL	Bank Interest Net of Tax	NIL	0.10	0.10
NIL	Vat Payable	NIL	800.00	800.00
4,500		NIL	6,296.51	6,296.51
	<b>PAYMENTS</b>			
NIL	Statement of Affairs Fee	NIL	(4,000.00)	(4,000.00)
NIL	Bank Charges	NIL	(2.40)	(2.40)
NIL	Liquidator's Remuneration	NIL	(1,428.40)	(1,428.40)
NIL	Vat Receivable	NIL	(800.00)	(800.00)
0		NIL	(6,230.80)	(6,230.80)
4,500	<b>CASH IN HAND</b>	NIL	65.71	65.71