

# WU15

## Notice of final account prior to dissolution in a winding up by the court



Companies House

THURSDAY



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09/09/2021

#41

COMPANIES HOUSE

### 1 Company details

Company number 9 0 1 3 8 4 8

Company name in full Smith Technologies Limited

#### → Filing in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Mustafa

Surname Abdulali

### 3 Liquidator's address

Building name/number First Floor Suite 4 Alexander House

Street Waters Edge Business Park

Post town Campbell Road

County/Region Stoke on Trent

Postcode S T 4 4 D B

Country

### 4 Liquidator's name ①

Full forename(s) Neil

Surname Dingley

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number First Floor Suite 4 Alexander House

Street Waters Edge Business Park

Post town Campbell Road

County/Region Stoke on Trent

Postcode S T 4 4 D B

Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

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**6 Liquidator's release**

Did any of the creditors object to the liquidator's release?

☐ Yes

☒ No

**7 Date of final account**

Date 

d	0	d	2	m	0	m	7	y	2	y	0	y	2	y	1
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**8 Final account**

☒ The final account is attached

**9 Sign and date**

Liquidator's signature

Signature

X 

X

Signature date 

d	0	d	2	m	0	m	9	y	2	y	0	y	2	y	1
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## 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 **Joanne Meadon**

Company name **Moore**

Address **First Floor Suite 4 Alexander House  
Waters Edge Business Park**

Post town **Campbell Road**

County/Region **Stoke-on-Trent**

Postcode **S T 4 4 D B**

Country

DX

Telephone **01782 201120**



## 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**Smith Technologies Limited**  
**(In Liquidation)**  
**Joint liquidators' Abstract of Receipts & Payments**  
**From 19 September 2016 To 2 July 2021**

Statement of Affairs £		£	£
	<b>ASSET REALISATIONS</b>		
	Litigation	100,039.61	
5,133.00	Furniture & Equipment	5,133.00	
598,020.49	Debtors not subject to FC	28,030.92	
	Funding Agreement Payment	3,000.00	
	Bank Interest Gross	293.96	
	Section 127 refund	186,144.83	
	Section 127 refund interest	634.79	
		<hr/>	323,277.11
	<b>COST OF REALISATIONS</b>		
	O.R. Remuneration	2,520.00	
	DTI Cheque Fees	101.90	
	S of State Fees	53,546.07	
	Petitioners Deposit	(1,350.00)	
	Petitioners Costs	2,270.00	
	Liquidators Fees	117,685.63	
	Liquidators Expenses	2,332.03	
	Directors' refund travel expenses	217.70	
	Agents/Valuers Fees (1)	1,983.30	
	Tax on Bank Interest	58.79	
	Statutory Advertising	75.00	
	Bank Charges	440.00	
		<hr/>	(179,880.42)
	<b>PREFERENTIAL CREDITORS</b>		
	Dept of Employment	30,681.07	
	Employees Wage/ Holiday Arrears	21,067.29	
		<hr/>	(51,748.36)
	<b>UNSECURED CREDITORS</b>		
	Trade & Expense Creditors	88,644.71	
	Employees	3,003.62	
		<hr/>	(91,648.33)
<hr/> <b>603,153.49</b>			<hr/> <b>(0.00)</b> <hr/>

REPRESENTED BY

NIL

Mustafa Abdulali  
Joint liquidator

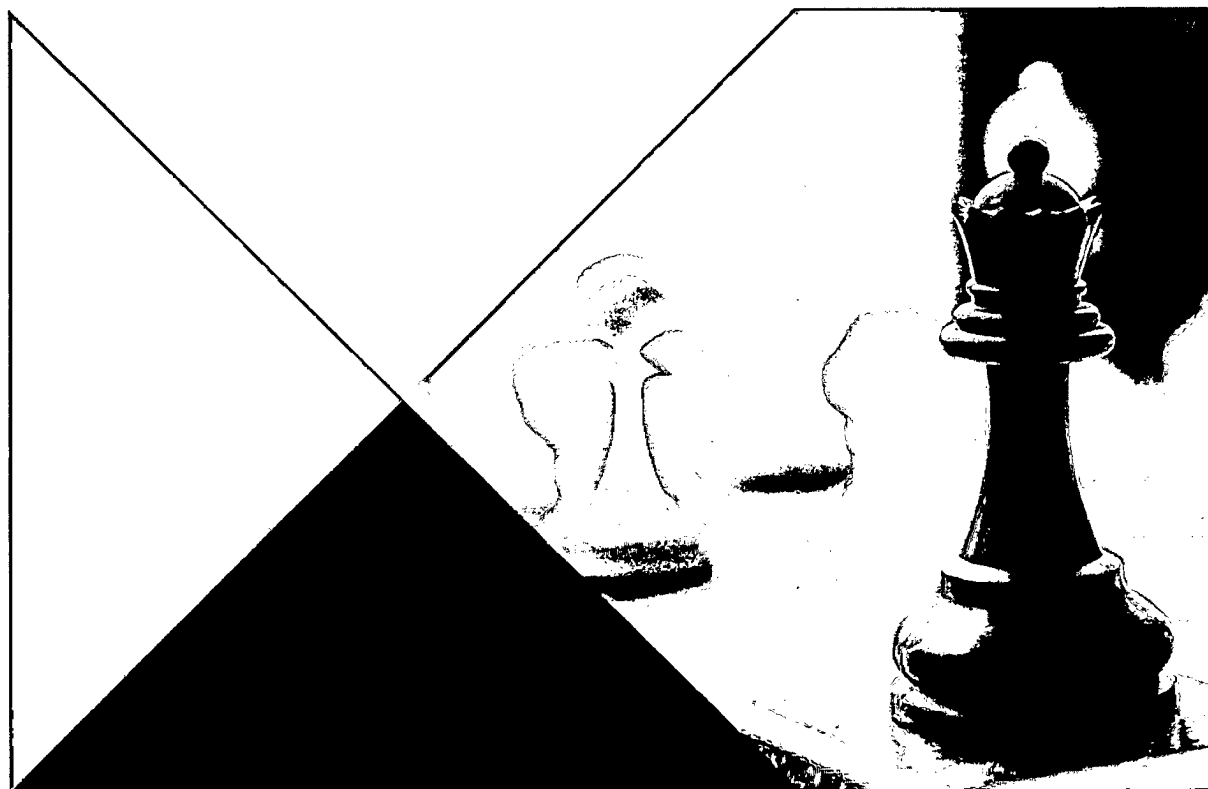


Strictly Private & Confidential

SMITH TECHNOLOGIES LIMITED ("THE COMPANY")

Final account to the members and creditors pursuant to Section 146 of the Insolvency Act 1986 and Rule 18.14 of the Insolvency (England and Wales) Rules 2016

2 July 2021



# Contents

1. Statutory information
2. Conduct of the liquidation
3. Joint liquidators' remuneration and category 2 disbursements
4. Joint liquidators' expenses
5. Creditors' rights
6. Liabilities

## Appendices

Appendix I Receipts and payments account

Appendix II Breakdown of time costs, category 2 disbursements and examples of work undertaken in a liquidation and expenses

This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

Mustafa Abdulali and Neil Dingley are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. All of our work is conducted in accordance with the Insolvency Code of Ethics. The Office Holders are Data Controllers of Personal Data, as defined by the Data Protection Act 2018, General Data Protection Regulation or other prevailing data protection legislation in the United Kingdom. Moore will act as Data Processor on the instructions of the Data Controller. For further information on how Moore or the Office Holders comply with data protection law you can request a copy of the privacy notice from this office in writing or by telephone.

## 1. Statutory information

Company name:	Smith Technologies Limited
Company number:	9013848
Registered office:	1st Floor Suite 4, Alexander House, Waters Edge Business Park Campbell Road Stoke-on-Trent ST4 4DB
Court reference:	High Court of Justice No. 1259 of 2016
Date of appointment:	19 September 2016
Joint Liquidators:	Mustafa Abdulali Neil Dingley
Joint Liquidators' address:	Moore First Floor Suite 4 Alexander House Waters Edge Business Park Campbell Road Stoke-on-Trent ST4 4DB

## 2. Conduct of the liquidation

The receipts and payments account attached at Appendix I details the asset realisations during the winding up, together with the receipts and payments since my previous progress report.

### **Furniture and Equipment**

The Official Receiver's report at the outset indicated fixtures and fittings of £35,214. The sum of £5,133 was achieved by agents James Sutherland (Auctioneers) Ltd, instructed by the Official Receiver prior to the Joint Liquidators' appointment.

### **Book Debts**

The Official Receiver's report also indicated that approximately £472,044 was outstanding to the company in book debts. This was believed to include a substantial debt owed by the ultimate parent company, Smith Electric Vehicles Corporation in America. The sum of £28,030.92 has been recovered in respect of book debts, and the remaining outstanding debts were subject to the litigation, as set out below.

### **Section 127 refunds**

My investigations into the demise of the company showed that numerous payments had been made after the date of the winding up petition. Section 127 of the Insolvency Act 1986 states that such payments made by the Company are void, unless and until they have been ratified/validated by the Court and in these instances, no such application had been made.

The sum of £186,144.83 (plus interest of £634.79) was received in respect of these payments, with the remainder subject to the litigation, as set out below.

### **Litigation**

My investigations into the Company's affairs prior to the liquidation identified a number of possible actions. In order to fund any legal action required in this respect, the various heads of claim were assigned to a specialist litigation funder, who instructed Solicitors to act for them in respect of this matter. An initial consideration of £3,000 was paid by the litigation funders, with further staged sums payable to the estate in the event of a successful recovery.

Letters before action were issued to the various parties and pre-action correspondence ensued but ultimately, a hearing was scheduled in early 2020.

Following the hearing, judgment was handed down confirming that the directors of the Company were jointly and severally liable for misfeasance under Section 212 of the Insolvency Act 1986; they had breached their duties to the Company by causing or permitting to transfer £179,049 from the Company's bank account to Smith Electric Vehicles US Corporation, a connected company by virtue of its directors on 22 April 2016, after the winding up petition was presented.

The claims made against the directors in respect of transfers made to Smith Electric Vehicles Europe ("Smith Europe") between 8 March and 27 June 2016, and for the purported diversion of book debts to Smith Europe, were dismissed.

On the above basis the directors were ordered to pay £179,409.51 plus interest, and costs were to be agreed between the parties. As a result, £100,039.61 was received into the liquidation estate in accordance with the funding agreement.

All assets have been realised.

I can confirm that the receipts and payments account has been reconciled with the Insolvency Services Account.

## **3. Remuneration and category 2 disbursements**

The remuneration of the joint liquidators has been fixed by creditors as follows:

- That the remuneration of the joint liquidators be fixed as below:
- A fixed fee of £7,500 in relation to statutory compliance, administration and planning;
- 25% of the realisation of assets (including those recovered as a result of investigations), net of any mortgage, fixed charge or hire purchase, net of any legal costs and expenses relating to investigations, and gross of sales costs (on any recovery made prior to the issue of Court proceedings);



- If Court proceedings are issued, and the proceedings are settled prior to a trial, the above referenced rate of 25% of the realisation of those assets subject to Court proceedings will increase to 35%;
- If Court proceedings are issued, and the proceedings are not settled prior to a trial, the above referenced rate of 35% of the realisation of those assets subject to Court proceedings will increase to 50%; and
- A fixed fee of £5,000 in relation to distribution to creditors.
- The joint liquidators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage and room hire, as and when funds permit.

Work undertaken by the joint liquidators and their staff during the liquidation in relation to administration and planning included periodic reviews of the joint liquidators' bond adequacy; compiling a progress report to creditors; periodic reviews on the progress of the case; managing the joint liquidators' estate bank account and cash book; general filing; submissions to HM Revenue & Customs in respect of Corporation Tax, and submissions to Companies House for the filing of a progress report and change in address.

Work has been undertaken in respect of investigations into the transactions prior to the demise of the company, and this included reviewing company information and books and records, liaising with the litigation funders and their Solicitors in compiling the letters before action and ongoing correspondence, and following up on unpaid book debts and Section 127 refund payments.

In respect of creditors, work has been undertaken in respect of the payment of a preferential dividend and a dividend to unsecured creditors, both dividends requiring correspondence with the creditors, investigation and agreement of claims and the delivery of the distributions required under the Insolvency Act and Rules and also enquiries from creditors.

A detailed breakdown of the remuneration and category 2 disbursements, together with current charge out rates are attached at Appendix II.

£117,685.63 has been drawn in respect of the remuneration of the joint liquidators, £50,000 of which was drawn during the reporting period. The value of the unbilled time, outstanding costs and also the time that will be incurred in concluding the liquidation will be written off.

Should you wish to receive further information regarding the Liquidator's remuneration, a copy can be found at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/> together with Creditor Insolvency Guide at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk). For this appointment you should refer to the October 2015 version of Guide to Liquidator's fees.

## 4. Joint liquidators' expenses

A schedule of all expenses incurred in the liquidation, together with those incurred since the previous progress report, has been detailed at Appendix II

A schedule of all expenses incurred in the Reporting Period is detailed at Appendix II.

As previously advised, in order to fund the legal action required against the directors, the various heads of claim were assigned to a specialist litigation funder. The funder instructed solicitors to act for them and any associated costs are deductible from the sums received as a result of the judgment detailed above.

£217.70 was refunded to the Director in respect of his travel expenses incurred shortly after my appointment as Joint Liquidator.

£1,983.30 has been paid to James Sutherland (Auctioneers) Ltd, a firm of valuers and auctioneers, by the Official Receiver in respect of their assistance with the sale of furniture and equipment, prior to my appointment.

£1,466.67 has been paid to Mayor Brown, a firm of solicitors, in respect of their legal advice and assistance.

£110 has been paid to Hobb Computer Services in respect of IT equipment required to deal with this matter.

£199 has been paid to Compass Couriers in respect of the cost of hiring a courier to deliver necessary documents.

£154 has been paid in respect of storage costs

Expenses in respect of the joint liquidators' bond have been higher than anticipated at £320 versus the expected £240. This is because realisations have been higher than anticipated but it is not expected that a further increase will be required.

## 5. Creditors' rights

Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the court may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in the progress report.

Within 14 days of receipt of the request, the joint liquidators must provide all of the information asked for, except so far as they consider that:

- the time or cost of preparation of the information would be excessive, or
- 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, or
- they are subject to an obligation of confidentiality in respect of the information.

The joint liquidators are also required to give reasons for not providing all of the requested information.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the joint liquidators' remuneration, the remuneration charged, or the expenses incurred by the joint liquidators as set out in the progress report are excessive.

A creditor may object to the release of the joint liquidators by giving notice in writing to the joint liquidators, by the end of the period of 8 weeks from the delivery of the notice accompanying the final account. However, if any request for information or any application to court is made, the period will run until that request or application is finally determined.

## 6. Liabilities

### **Secured Creditors**

There are no secured creditors.

### **Preferential Creditors**

Claims from preferential creditors totaled £51,748.36, representing employee claims.

A full and final dividend was distributed on 12 September 2017 to preferential creditors of 100p in the £.

### **Unsecured Creditors**

The initial report from the Official Receiver indicated unsecured creditors in the region of £723,456.58. Claims totalling £1,226,481.31 have actually been received, of which £245,309.70 relates to employees' unsecured claims and £734,190.22 relates to debts owed to HM Revenue & Customs. The remaining £246,981.39 represents trade creditors.

### **Dividends**

3 distributions have been made to unsecured creditors totalling £88,644.71, as follows:

- (i) 4.51p in the £, paid in January 2018;
- (ii) 12.51p in the £, paid in November 2020; and
- (iii) 0.69p in the £, paid in May 2021.

No further distributions will be made.



Mustafa Abdulali  
Joint liquidator

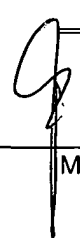
## Joint liquidators' receipts and payments account

## Smith Technologies Limited (In Liquidation)

	Statement of affairs £	From 19/09/2020 To 02/07/2021 £	From 19/09/2016 To 02/07/2021 £
<b>RECEIPTS</b>			
Litigation		0.00	100,039.61
Furniture & Equipment	5,133.00	0.00	5,133.00
Debtors not subject to FC	598,020.49	0.00	28,030.92
Funding Agreement Payment		0.00	3,000.00
Bank Interest Gross		9.27	293.96
Section 127 refund		0.00	186,144.83
Section 127 refund interest		0.00	634.79
Petitioners Deposit		0.00	1,350.00
		<u>9.27</u>	<u>324,627.11</u>
<b>PAYMENTS</b>			
O.R. Remuneration		0.00	2,520.00
DTI Cheque Fees		49.30	101.90
S of State Fees		1,501.11	53,546.07
Petitioners Costs		0.00	2,270.00
Liquidators Fees		50,000.00	117,685.63
Liquidators Expenses		0.00	2,332.03
Directors' refund travel expenses		0.00	217.70
Agents/Valuers Fees (1)		0.00	1,983.30
Tax on Bank Interest		1.85	58.79
Statutory Advertising		0.00	75.00
Bank Charges		88.00	440.00
Dept of Employment		0.00	30,681.07
Employees Wage/ Holiday Arrears		0.00	21,067.29
Trade & Expense Creditors		37,386.17	88,644.71
Employees		1,262.16	3,003.62
		<u>90,288.59</u>	<u>324,627.11</u>
Net Receipts/(Payments)		<u>(90,279.32)</u>	<u>0.00</u>

## MADE UP AS FOLLOWS

ISA	0.00
VAT Payable	0.00
	<u>0.00</u>

  
 Mustafa Abdulali  
 Joint liquidator

## Breakdown of time costs

## Summary of Moore time-costs from 9 September 2016 to 2 July 2021

	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	9.75	0.00	75.80	63.85	149.40	24,105.50	161.35
Investigations	176.10	0.00	141.90	21.70	339.70	91,945.00	270.67
Realisation of assets	119.90	0.00	469.70	19.50	609.10	139,231.00	228.58
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.10	0.00	28.00	41.90	71.00	10,094.00	142.17
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total hours</b>	<b>306.85</b>	<b>0.00</b>	<b>715.40</b>	<b>146.95</b>	<b>1169.20</b>		
<b>Total time costs £</b>	<b>111,721.50</b>		<b>139,156.00</b>	<b>14,498.00</b>		<b>265,375.50</b>	<b>226.97</b>

## Summary of Moore time-costs from 9 September 2020 to 2 July 2021

	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	0.00	0.00	1.50	1.80	3.30	526.50	159.55
Investigations	0.00	0.00	3.30	6.50	9.80	1,486.00	151.63
Realisation of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total hours</b>	<b>0.00</b>	<b>0.00</b>	<b>4.80</b>	<b>8.30</b>	<b>13.10</b>		
<b>Total time costs £</b>			<b>936.00</b>	<b>1,076.50</b>		<b>2,012.50</b>	<b>153.63</b>

Total remuneration drawn on account

117685.63

Charge out rates:-

See attached document.

Time charged in 6 minute units or multiples thereof

Examples of the work which may be undertaken, but which is not limited to, include:

*Statutory compliance, administration and planning*

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a liquidation committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the liquidation committee (if applicable)
- Letters to directors regarding the provisions of sections 216 and 217 of Insolvency Act 1986, enclosing directors questionnaires
- Obtaining approval for the basis of fees from creditors
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and filing notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Completion of the internal investigation checklist
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Review of creditor questionnaires and other information received in relation to the affairs of the Company
- Review of director questionnaires
- Preparation of liquidators' submission on the actions of the directors to the disqualification unit of the Department for Business, Energy & Industrial Strategy
- Correspondence with compliance department in respect of on-going case issues/matters.
- Complying with money laundering regulations
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues

- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities.

#### *Asset realisations*

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors.
- Monitoring and collection of outstanding debtors, retentions and work in progress.
- Property, business and asset sales.
- Tax reclaims
- Review of interest rate hedging products

#### *Investigations*

- Liaising with the Company's former professional advisors and bankers.
- Review work pursuant to the Statement of Insolvency Practice 2.
- Liaising with solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of director/creditor questionnaires
- Land Registry and Companies House searches
- Consideration of legislation including wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue.

#### *Distributions to creditors*

- The processing and submission of the relevant forms to the Redundancy Payments Directorate.

## Smith Technologies Ltd (in Liquidation)

## Schedule of expenses incurred during the period

## Summary of Moore disbursements from 19 September 2016 to 2 July 2021

	Costs incurred £	Costs drawn £
<b>Moore Stephens disbursements</b>		
Advertising	152.00	152.00
Agents Fees	0.00	0.00
Company Bonds	320.00	320.00
Courier Fees	199.00	199.00
Directors Refund	217.70	217.70
Agents Fees	0.00	0.00
Land Registry	30.00	30.00
Legal Fees	1,466.67	1466.67
Hobb	110.00	110.00
Storage	154.02	129.36
Sub total	<u>2,649.39</u>	<u>2,624.73</u>
 <b>Total</b>	 <u>2,649.39</u>	
<b>Less drawn disbursements</b>	<u>2,624.73</u>	
<b>Total undrawn disbursements</b>	<u><u>24.66</u></u>	

## Smith Technologies Ltd (in Liquidation)

## Schedule of expenses incurred during the period

## Summary of Moore disbursements from 19 September 2020 to 2 July 2021

	Costs incurred £	Costs drawn £
<b>Moore Stephens disbursements</b>		
Advertising	0.00	0.00
Agents Fees	0.00	0.00
Company Bonds	0.00	0.00
Courier Fees	0.00	0.00
Directors Refund	0.00	0.00
Agents Fees	0.00	0.00
Land Registry	0.00	0.00
Legal Fees	0.00	0.00
Hobb	0.00	0.00
Storage	0.00	0.00
Sub total	0.00	0.00
<b>Total</b>	0.00	No costs were incurred during this period
<b>Less drawn disbursements</b>	0.00	
<b>Total undrawn disbursements</b>	0.00	