

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

01624592

Name of Company

Becher Joinery Limited

I / We

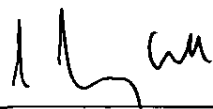
Julie Anne Palmer, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF

Simon Guy Campbell, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF

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 07/02/2014 to 06/02/2015

Signed



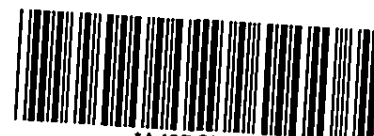
Date

2/3/15

Begbies Traynor (Central) LLP
65 St Edmunds Church Street
Salisbury
Wiltshire
SP1 1EF

Ref BE174CVL/JAP/SGC/NRA

TUESDAY



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03/03/2015

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COMPANIES HOUSE

Becher Joinery Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period 7 February 2014 to 6 February 2015

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Becher Joinery Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 7 February 2014
"the liquidators", "we", "our" and "us"	Julie Anne Palmer of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF and Simon Guy Campbell of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, Wiltshire, SP1 1EF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2 COMPANY INFORMATION

Trading name(s)	N/A
Company registered number	01624592
Company registered office	Argon House, Argon Mews, Fulham Broadway, SW6 1BJ
Former trading address	7 Worton Hall, Worton Road, Twickenham, TW7 6ER

3 DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	7 February 2014
Date of liquidators' appointment	7 February 2014
Changes in liquidator (if any)	None

4 PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 7 February 2014 to 6 February 2015

The Director's Statement of Affairs estimated that the Company's tangible assets had a realisable value of £28,415. Marriott & Co were instructed to act as agents. They photographed and listed all the assets in an online auction. The tangible assets actually sold for a total of £64,565 which compares favourably with the estimated to realise value. This sale also included stock, which the Director estimated was worth £1,200.

In order to complete some work, a former customer of the Company requested asked to use its tools and equipment, prior to them being sold. The liquidators were happy to allow this and a hire charge of £4,437 was paid by the customer.

A refund of business rates in the sum of £4,406 was received during the period and gross interest of £25 has also been received.

The Company's book debts (valued at £8,040) have yet to be realised. A collection agent is instructed to assist in this respect.

5 ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the Director's statement of affairs included within the report sent to creditors further to our appointment as liquidators. On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

On account of its floating charge debenture, the secured creditor has received £6,000. There will be no further distribution to the secured creditor.

Preferential creditors

A dividend of 100 pence in the £1 has been paid to the preferential creditors. Therefore, preferential creditors have been paid in full.

Unsecured creditors

No dividend is available for unsecured creditors because the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation.

6 REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report.

Our time costs for the period from 7 February 2014 to 6 February 2015 amount to £25,294.00 which represents 110.3 hours at an average rate of £229.32 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 7 February 2014 to 6 February 2015
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 6 February 2015, we have drawn the total sum of £24,861.00 on account of our remuneration, against total time costs of £25,294.00 incurred since the date of our appointment. To 6 February 2015, we have also drawn disbursements in the sum of £328.60.

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7 LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

8 ASSETS THAT REMAIN TO BE REALISED

As detailed above, the only asset yet to be realised is a debt owed to the Company. A collection agent is instructed to recover this debt and legal action is being considered.

9 OTHER RELEVANT INFORMATION

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

10 CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11 CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

J A Palmer
Joint Liquidator

Dated 27 February 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 7 February 2014 to 6 February 2015

S of A £		£	£
	ASSET REALISATIONS		
28 415 00	Tangible Assets	64 565 46	
	Equipment Hire	4,437 50	
1,200 00	Stock	NIL	
8 040 00	Book Debts	NIL	
	Business Rates Refund	4,406 90	
	Bank Interest Gross	24 93	
			73,434 79
	COST OF REALISATIONS		
	Statement of Affairs Fee	5 000 00	
	Office Holders Fees	24 861 00	
	Office Holders Expenses	328 60	
	Agents/Valuers Fees (1)	17,673 22	
	Legal Fees (1)	2 133 00	
	Legal Fees (2)	21 00	
	IT Professional Services	619 48	
	Statutory Advertising	169 20	
	Insurance of Assets	343 44	
	PAYE & NI	1,023 32	
			(52,172 26)
	PREFERENTIAL CREDITORS		
(3 144 00)	RPO	8 718 16	
(722 16)	Employees	2,632 10	
			(11,350 26)
	FLOATING CHARGE CREDITORS		
(89,388 49)	Coutts & Co	6 000 00	
			(6,000 00)
			<u>3,912 27</u>
	REPRESENTED BY		
	Vat Receivable		800 82
	Bank 1 Current		2 390 21
	Vat Control Account		721 24
			<u>3,912 27</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 7 February 2014 to 6 February 2015

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting.
- Car mileage is charged at the rate of 45 pence per mile.
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Salisbury office as at the date of this report are as follows:

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME Becher Joinery Limited
CASE TYPE CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS Julie Anne Palmer AND Simon Guy Campbell
DATE OF APPOINTMENT 7 February 2014

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

There has been nothing particularly complex about the nature of this assignment. However, considerable time has been spent processing the agreeing the claims of employees

1.3 Exceptional responsibilities

There has been nothing unusual about the assignment in this respect

1.4 The office holders' effectiveness

Asset realisations have been greater than anticipated and preferential creditors have been paid in full. There has also been a distribution to the secured creditor. The initial strategy has not changed and has proven effective

1.5 Nature and value of property dealt with by the office holders

The Company's assets consisted of furniture, machinery and tools. Many of which were large and valuable. The assets were secured and insured until sold. Please refer to the attached report for information regarding realisations and value

1.6 Time costs analysis

An analysis of time costs incurred between 7 February 2014 and 6 February 2015 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only

1.7 The views of the creditors

Creditors have been provided reports as and when required. All other creditor correspondence has been dealt with accordingly

1.8 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – 473 miles at 45p	212.85

TOTAL	212 85
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1 9 Other professionals employed & their costs

Marnot & Co were employed based on their expertise and individual fee arrangements. Their costs were charged based on a percentage of realisations. Moore Blatch solicitors were used to check the validity of security and provide an opinion on subrogated claimant.

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2.

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2.

3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

3 1 Since the date of our last report, the following work has been carried out

- Securing company assets, arranging agent to carry out sale,
- Collecting the company's books and records, including electronic data,
- Processing and agreeing the claims of employees,
- Paying a preferential dividend to employees and RPS,
- Checking the validity of the secured creditor's charge,
- Distributing funds to the secured creditor,
- Investigating the director's conduct and the company's affairs,
- Reporting and filing in accordance with legislation

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £
Administration and Planning	Appointment and case planning Administration and Banking	5.5 25.8		2.1	1.4 3.6	2.6 14.4	7.3		0.5	35.30 27.90	11,815.50 4,855.00	334.72 174.01
Investigation	Statutory reporting and CDDA and investigations				0.2 0.6	3.8 5.8				4.00 6.40	706.00 1,138.00	176.50 177.81
Realisation of assets	Debt collection Property, business and asset Retention of Title/Third party				3.9	2.3 0.8				6.20 0.80	1,202.00 140.00	193.87 175.00
Trading	Trading											
Creditors	Secured Others				0.2 6.0	1.3 15.5				1.50 21.50	268.50 3,942.50	179.00 183.37
Other matters	Creditors committee Meetings Other Tax Litigation						4.5 0.4			4.50 2.20	787.50 439.00	175.00 199.55
Total hours by staff grade											5.5 25.8 2.1 17.7 51.4 7.3 0.5 110.3	
Total time cost by staff grade £											2,172.50 8,901.00 556.50 3,628.50 8,995.00 985.50 55.00 25,294.00	
Average hourly rate £											395.00 345.00 265.00 205.00 175.00 135.00 110.00 229.32	
Total fees drawn to date £												24,861.00

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Agent fees	Marnott & Co	17,673 22	17,673 22	0 00
Legal fees	Moore Blatch	2,154 00	2,154 00	0 00
IT Services	Ardenta	619 48	619 48	0 00
Statutory advertising	Courts Advertising	169 20	169 20	0 00
Insurance	Marsh	343 44	343 44	0 00
Office Holder Expense	Begbies Traynor			
	Mileage (473 miles)	212 85	143 10	69 75
	Bond	70 00	70 00	0 00
	Company Searches	3 00	3 00	0 00
	Sundry (Lunch)	7 20	7 20	0 00
	Advertising	84 60	84 60	0 00
	Storage	25 80	20 70	5 10