

Section 106

The Insolvency Act 1986

**Return of Final Meeting in a
Creditors' Voluntary Winding Up
Pursuant to Section 106 of the
Insolvency Act 1986**

S106

For Official Use

To the Registrar of Companies

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Company Number

05748846

Name of Company

Select Radiators Limited

I / We

Marc Justin Landsman
Portland Tower
Portland Street
Manchester
M1 3LF

give notice

- 1 that a general meeting of the company was ~~held on~~/summoned for 10 June 2011 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that the ~~same was done accordingly~~ / no quorum was present at the meeting
- 2 that a meeting of the creditors of the company was duly held on / ~~summoned for~~ 10 June 2011 pursuant to section 106 of the Insolvency Act 1986 for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company disposed of and that the same was done accordingly / ~~no quorum was present at the meeting~~

Signed



Date 10 June 2011

Carmichael & Co
Portland Tower
Portland Street
Manchester
M1 3LF

Ref S103501/MJL/DLP/RJM

For Official Use

Insolvency Sect

TUESDAY



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A5QEYUZA
14/06/2011
COMPANIES HOUSE

116

Select Radiators Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 23 July 2010 To 10 June 2011

S of A £		£	£
3,000 00	SECURED ASSETS		
	Goodwill	3,000 00	3,000 00
	COSTS OF REALISATION		
	Office Holders Fees	529 50	
	Agents/Valuers Fees	300 00	(829 50)
(20,435 97)	SECURED CREDITORS		
	Chargeholder (1)	2,170 50	(2,170 50)
6,000 00	HIRE PURCHASE		
(5,400 00)	Renault Van	6,000 00	
	Finance Company	(5,339 62)	660 38
4,000 00	ASSET REALISATIONS		
	Stock	4,650 00	4,650 00
	COST OF REALISATIONS		
	Bordereau	60 00	
	Preparation of S of A	3,897 00	
	Printing, Postage and Stationery	33 46	
	Searches	4 00	
	Travel	14 40	
	Agents/Valuers Fees (1)	1,079 16	
	Hire of Meeting Room	36 00	
	Statutory Advertising	186 36	(5,310 38)
(692 80)	PREFERENTIAL CREDITORS		
(961 53)	Employees	NIL	
	Director	NIL	NIL
(59,797 02)	UNSECURED CREDITORS		
(1,291 20)	Trade & Expense Creditors	NIL	
(7,000 00)	Employees	NIL	
(80,715 33)	Loan from Employee	NIL	
(11,057 16)	Directors	NIL	
	HM Revenue & Customs - VAT	NIL	NIL
(75 00)	DISTRIBUTIONS		
(25 00)	Ordinary A Shareholders	NIL	
	Ordinary B Shares	NIL	NIL
(174,451.01)			(0.00)

Select Radiators Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 23 July 2010 To 10 June 2011

S of A £	£	£
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REPRESENTED BY

NIL

Marc Justin Landsman
Liquidator

Select Radiators Limited
(In Creditors' Voluntary Liquidation) ("the Company")

DRAFT FINAL PROGRESS REPORT
TO THE MEMBERS AND CREDITORS

7 April 2011

This report was originally circulated on 7 April 2011.

In order to assist, the changes between the draft and this final version are shown as deletions or [additions].

There were no changes required other than to show the transition from draft to final.

Portland Tower
Portland Street
Manchester
M1 3LF

 **Carmichael
& Co**

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info@carmichaelsinsolvency.co.uk

Ref S103501/9 01

You will recall that I was appointed Liquidator of the above named Company by a resolution of members on 23 July 2010. My appointment was ratified by creditors later that day.

1. Reason for Circulating this Draft Report

~~Under the latest insolvency legislation I am required to circulate a draft of the report which will be put to members and creditors at the final meetings.~~

~~It is not expected that there will be any significant changes to this report, I consider that my administration is now concluded. Creditors are, however, entitled to raise questions and for that reason this report may theoretically change.~~

~~Unless I consider any of the matters raised require major changes to the report a final copy will be posted on the internet on the day of the meeting.~~

~~The information you will need to download it is:~~

~~Website: www.carmichaelsinsolvency.co.uk
Username: s103501
Password: E151~~

~~It will also be available from this office on request.~~

~~The initial reports and other documents are also available from that site.~~

2. Outcome for Creditors and Dividend Prospects

In accordance with Rule 4.186(d) of the Insolvency Rules 1986 (as amended) I am required to state whether there is any prospect of a dividend to creditors.

There were sufficient assets to enable a distribution to be made to the fixed charge creditor, though it was not possible to make any payment to either the preferential or non-preferential creditors.

3. Final meetings of creditors and members of the Company

Pursuant to Section 106 of the Insolvency Act 1986, I have convened final meetings of creditors and members of the Company to be held at the date, times and places specified in the attached notice of meetings.

~~The purpose of the meetings is to lay before the creditors and members a final account showing the manner in which the winding up has been conducted, and hearing any explanation that may be given by the Liquidator. Once these meetings have been held I will close the liquidation.~~

~~If any request or application is received under Rule 4.49E 1(a)(ii) or 4.131 of the Insolvency Rules 1986 (as amended) or the final meetings will not be held until the matters raised have been dealt with.~~

Included in this report is the Liquidator's draft final statement of receipts and payments. Also attached is a proxy form for completion and return if you wish to vote at the meeting.

~~Please note that these meetings are a statutory requirement and your attendance is not essential. If you do not wish to attend or vote at the meeting, then you need do nothing more, although it would be of assistance if you would complete and return the proxy form.~~

~~If any creditor requires further explanations on any aspect of this report and does not wish to attend the meeting, they should telephone or write to me.~~

~~Should any creditor wish to attend the meeting, it would be helpful for administration reasons if they could telephone the case manager so that the appropriate arrangements can be made.~~

4. Draft Final Receipts and Payments Account

This is attached.

All amounts are shown net of VAT.

I would provide additional information on some items as follows

4.1. Trading by the Liquidator

With the exception of the 'usual' realisation of assets, no trading was undertaken by the Liquidator

4.2 Realisation of Assets Falling under the Fixed Charge

4 2 1 Goodwill

This was valued by Herts Valuations at £3000 to include the right to use the trading style, telephone number and website

Goodwill was an asset caught by HSBC's debenture dated 5 September 2008 and the net proceeds which amounted to £2170 50 have been paid across to the bank

4 2 2 Costs of Realisation

The agent charged a fee of £300

Rule 4 127B(2) of the Insolvency Rules 1986 sets out that where the assets realised for a secured creditor are subject to a charge which when created was a mortgage or a fixed charge, the liquidator shall be entitled to such sum by way of remuneration as is arrived at by applying the realisation scale set out in Schedule 6 to the monies received by him in respect of the assets realised (including any sums received in respect of Value Added Tax thereon but after deducting any sums spent out of money received in carrying on the business of the company

Where the assets realised for a secured creditor are subject to a charge which when created was a floating charge, the liquidator shall be entitled to such sum by way of remuneration as is arrived at by—

- first applying the realisation scale set out in Schedule 6 to monies received by him from the realisation of those assets (including any Value Added Tax thereon but ignoring any sums received which are spent in carrying on the business of the company), and
- then by adding to this amount such sum as is arrived at by applying the distribution scale set out in Schedule 6 to the value of the assets distributed to the holder of the charge and payments made in respect of preferential debts

The sum to which the liquidator is entitled shall be taken out of the proceeds of the realisation effected under that paragraph "

I have drawn an amount of £529 50 and can confirm that in calculating the fees charged to unsecured assets has taken this into account

4.3. Realisation of Other Assets

4 3 1 Motor Vehicles

The company owned a Renault van It was valued by Herts Valuations Ltd who arranged the sale to a third party and from the £6,000 sale proceeds settled the outstanding finance liability of £5,339 62

4 3 2 Stock

An amount of £4,650 was received following negotiations between my agent Herts Valuations and the director Mr Hicks who made an offer that was higher than the alternative offers

4.4. Sale of assets to connected parties

Assets were sold to a connected party as follows

4 4 1 Details of the assets involved

The goodwill and stock

- 4 4 2 *Date of the transaction*
26 August 2010
- 4 4 3 *The consideration for the transaction and when it was paid*
Goodwill £3,000 and stock £4650
- 4 4 4 *The name of the counterparty*
Martin Stephen Hicks
- 4 4 5 *The nature of the counterparty's connected party relationship with the vendor*
Director of the company
- 4 4 6 *If the transaction took place before the appointment of the member as office holder, the name of any adviser to the vendor*
Not applicable
- 4 4 7 *Whether the purchaser and (if the transaction took place before the appointment of the member as office holder) the vendor were independently advised*
Unknown
- 4 4 8 *Where the transaction took place before the commencement of liquidation or administration, the scope of the office holder's investigation and the conclusion reached*
Not applicable
- 4 4 9 *Whether the liquidation committee (if there is one) has been consulted and the outcome of such consultation*
Not applicable

4.5. Unrealisable Assets

All the company's assets were realised

4.6. Costs of the Liquidation

- 4 6 1 *Bordereau*
These are the premiums paid on the Liquidator's Bond
- 4 6 2 *Convening of Initial Meetings*
The directors agreed a fee of £4,000 for the preparation for and convening of the statutory meetings of members and creditors to place the company into liquidation

The creditors agreed that the fees due could be paid as an expense of the liquidation

In total, £3,897 00 was paid The balance was not paid due to lack of funds
- 4 6 3 *Liquidator's Fees*
Statement of Insolvency Practice 9 states that "The case records required to be maintained and retained under the Insolvency Regulations 1994 should include sufficient information to show full details of the time spent on the case by the office holder and his staff in cases where fees are on a time cost basis Where the fee is charged on a percentage basis the office holder should provide the approving body with details of any work which has been or is intended to be sub-contracted out which would normally be carried out by office holders themselves"

Creditors agreed at the first meeting that the Liquidator be paid according to the time spent by him and his staff An analysis of the time spent and amount charged is included at the end of this report

This firm's policy on fees and disbursements is available on request, or may be downloaded from our web site

4 6 4 *Liquidator's Expenses*

These are detailed on the face of the account

4 6 5 *Printing, Postage and Stationery*

This relates to the costs of copying and sending reports to creditors

4 6 6 *Searches*

These relate to the costs of searches at Companies House

4 6 7 *Travel*

Travel is charged at the cost incurred (if public transport) or at the statutory mileage rate as set down by HM Revenue and Customs. If it was possible to combine 2 or more meetings or visits, the costs incurred for the shared element of travel has been apportioned equally

4 6 8 *Agents/Valuers Fees*

Herts Valuations Ltd was instructed to value and sell the Goodwill, Motor Vehicles and Stock. Their costs include their disbursements, taking possession and securing the assets and auction costs

The costs relating to goodwill have been charged to the Bank

4 6 9 *Hire of Meeting Room*

Since the initial meetings were not held at this firm's offices, it was necessary to pay for the hire of the room

4 6 10 *Statutory Advertising*

This cost relates to the statutory advertising of the liquidation in accordance with the provisions of the Insolvency Act 1986. It may be split as follows

	£
Notices of Initial Meetings of creditors	46 53
Notices of Appointment of Liquidator	93 06
Notices of Final Meetings of members and creditors	46 77
	<u>186 36</u>

4 6 11 *Prescribed part*

Where there is a floating chargeholder, the Insolvency Act 1986 (Prescribed Part) Order 2003 sets out that (unless there are special circumstances such as the costs are too high, or the amount is less than £10,000 and the Liquidator considers it more appropriate to pay the chargeholder) where the net property is more than £10,000 the Liquidator is required to set aside 50% of the first £10000 of the net property under the floating charge, then 20% of the next £590,000 to pay a dividend to unsecured creditors

In this case, there was no floating chargeholder, so this section did not apply

In this case, HSBC Bank PLC was granted a floating charge over the assets of the Company on 5 September 2008

The net property totalled £0 and thus no funds were available to the Bank, or unsecured creditors

4.7. **Reanalysis of Expenditure**

The payments may also be analysed as follows

4.7.1 Secured Assets

	<u>%</u>	<u>%</u>
Receipts		100.0
Liquidator's Fee	17.7	
Other Costs	10.0	
		<u>(27.7)</u>
Paid to Creditors		<u>72.3</u>

4.7.2 Unsecured Assets

	<u>%</u>	<u>%</u>
Receipts		100.0
Convening of Initial Meetings	73.4	
Statutory Costs	4.6	
Other Costs	22.0	
		<u>(100.0)</u>
Paid to Creditors		<u>0.0</u>

I would comment that the percentage shown as paid to creditors is the percentage of total funds received, not the dividend paid

5. Investigations

I have considered the points raised by creditors in discharging my duties under the Company Directors' Disqualification Act 1986

Creditors are reminded that a Liquidator has a statutory obligation to consider the directors' conduct and submit a report and/or return to the Insolvency Service Disqualification Unit

The contents of the submission to the Insolvency Service Disqualification Unit is confidential, and may not be disclosed to creditors

6. Creditors' Claims

6.1. Secured Creditors

HSBC Bank PLC was owed £19,933.37 by the company having been granted a debenture on 5 September 2008. In addition, the facility had been personally guaranteed by Mr Hicks

6.2. Preferential Unsecured Creditors

Preferential Claims were received as follows

	<u>Statement of Affairs</u>	<u>Claim</u>
	<u>£</u>	<u>£</u>
Brenda Sullivan	692.80	
Martin Hicks	961.53	961.53
	<u>1,654.33</u>	<u>961.53</u>

It was not possible to make any distribution to preferential creditors

6.3. Non-Preferential Unsecured Creditors

A schedule of the unsecured creditors' claims received is included at the end of this report

It is appropriate to state that where it is apparent that there will be no dividend at the commencement of the liquidation, many creditors do not submit claims in order to reduce their own costs

It was not possible to make any distribution to non-preferential creditors

7. Shareholders' Claims

Shareholders were listed as follows

	<u>£1 A Shares</u>	<u>£1 B Share</u>
Martin Hicks	75	
Kristina Hicks		25

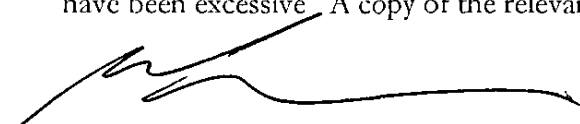
Since it was not possible to pay creditors in full, no payment was made to the Shareholders

8. Additional Information

In preparing this report, the Liquidator has sought to provide all information he considers relevant to creditors. There is therefore likely to be little additional information which can be provided.

~~In accordance with Rules 4.19E of the Insolvency Rules 1986 (as amended), however, certain creditors by class or value are entitled to seek additional information about any aspect of this report. A copy of the relevant rule is included with this report. Whilst this sets minimum values on those allowed to ask for information, as a policy this firm will attempt to answer any appropriate questions from creditors.~~

Creditors are also entitled to apply to the court if they consider that the costs of the liquidation have been excessive. A copy of the relevant rules is also with this report.



Marc Landsman, Liquidator

Carmichael & Co
Portland Tower
Portland Street
Manchester
M1 3LF

Dated ~~7 April 2011~~ 10 June 2011

FINAL ACCOUNT OF THE LIQUIDATOR

<u>Statement of Affairs</u>		<u>Total</u>		<u>Covered by this Report</u>	
£		£	£	£	£
3,000 00	Goodwill		3,000 00		3,000 00
	Liquidator's Fees	529 50		529 50	
	Agent's/Valuer's Fees	300 00		300 00	
(20,436 00)	Chargeholder	2,170 50		2,170 50	
			(3,000 00)		(3,000 00)
<u>(17,436 00)</u>		<u>0 00</u>		<u>0 00</u>	
6,000 00	Renault Van		6,000 00		6,000 00
(5,400 00)	Finance Company		(5,339 62)		(5,339 62)
600 00			660 38		660 38
4,000 00	Stock		4,650 00		4,650 00
<u>4,600 00</u>			5,310 38		5,310 38
	Bordereau	60 00		60 00	
	Convening of Initial Meetings	3,897 00		3,897 00	
	Printing, Postage and Stationery	33 46		33 46	
	Searches	4 00		4 00	
	Travel	14 40		14 40	
	Agent's/Valuer's Fees	1,079 16		1,079 16	
	Hire of Meeting Room	36 00		36 00	
	Statutory Advertising	186 36		186 36	
			(5,310 38)		(5,310 38)
		<u>0 00</u>		<u>0 00</u>	

Expenses not recharged to the Estate

In the absence of sufficient funds with which to discharge the costs of the liquidation the following amounts were not paid from the estate

	£
Convening of Initial Meetings	103 00
Liquidator's Remuneration	3,272 51

CLAIMS RECEIVED FROM UNSECURED CREDITORS

	<u>Statement of Affairs</u>	<u>Claim</u>
	£	£
Trade		
A3 Design & Print	750 00	750 00
Alpha Publishing	464 13	0 00
Ascent Publishing Ltd	117 50	0 00
Breitenmoser	0 00	0 00
Centaur Communications Ltd	6,423 50	0 00
Co Ge Fin S r l	3,465 00	0 00
CPF Liphook	844 92	0 00
Davies & Co	0 00	0 00
Deltacalor	5,458 00	5,415 67
Double Quick (Heating) Ltd	255 01	0 00
EON Energy Ltd	267 28	123 64
Fed Ex UK Ltd	122 16	0 00
Footprint	381 88	0 00
Franco Vargo Ltd	1,332 47	1,502 85
Hampshire Couriers Ltd	6 54	0 00
Hubert Burda Media UK	70 50	70 50
IPC Media Ltd	313 13	323 13
K8	4,068 00	0 00
Kelsev Publishing Group	137 50	137 50
KG Sprayers (Aldershot) Ltd	470 00	0 00
Konsolen AG	1,830 00	1,830 00
Media 10 Ltd	188 00	188 00
Ocean Media Group	0 00	0 00
Octain Ltd	764 61	764 61
Ottinetti Sergio SRL	13,287 21	12,614 90
Quinn Radiators UK Ltd	292 95	0 00
RBS Finance Ltd	166 51	166 51
Robsay Ltd t/a 'Sayers & Co Accountants'	390 00	290 00
Rondra srl	16,147 00	0 00
Rushmoor Borough Council	53 55	53 55
STF International Forwarding Ltd	1,643 78	0 00
Virgin Media Payments Ltd	45 39	0 00
Yellow Pages	40 50	40 50
	<u>59,797 02</u>	<u>24,271 36</u>
Crown		
HM Revenue & Customs - PAYE/NIC	0 00	0 00
HM Revenue & Customs - VAT	11,057 16	8,863 00
HM Revenue & Customs - Corporation Tax	0 00	0 00
	<u>11,057 16</u>	<u>8,863 00</u>
Employees		
Brenda Sullivan	8,056 00	7,000 00
Laura Thomas	235 20	0 00
	<u>8,291 20</u>	<u>7,000 00</u>
Directors		
Martin Hicks	80,715 33	78,998 09
	<u>80,715 33</u>	<u>78,998 09</u>

**TIME SPENT BY THE LIQUIDATOR
AND HIS STAFF**

Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration and planning	4 67		2 20		6 87	1,684 67	245 22
Investigations	1 17				1 17	344 17	294 16
Realisation of assets	0 92		1 27		2 19	447 75	204 45
Trading							n/a
Creditors	2 35		0 73		3 08	795 92	258 42
Case specific matters (Specify)							n/a
	9 11		4 20		13 31	3,272 51	245 87

**STATUTORY
INFORMATION**

Company Number	05748846
Date of Incorporation	20 March 2006
Nature of Business	Retailer of radiators
Trading Address	Unit 23 Belle Vue Enterprise Centre Ivy Road Aldershot Hants GU12 4UA
Registered Office before liquidation	Unit 23 Belle Vue Enterprise Centre Ivy Road Aldershot Hants GU12 4UA
Current Registered Office	2nd Floor, Portland Tower Portland Street Manchester M1 3LF
Date of Liquidation	23 July 2010
Liquidator	Marc Justin Landsman
Date of Appointment	23 July 2010
Dividend to Non-Preferential Creditors	None paid
Proposed Final Meeting date	10 June 2011
Website to download documents	www.carmichaelsinsolvency.co.uk
Username	s103501
Password	E151
E-mail Address	s103501@carmichaelsinsolvency.co.uk