

**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

02648746

Name of Company

W Maw Fuels Limited

I / ~~We~~

Philip Booth, Booth & Co, Coopers House, Intake Lane, Ossett, WF5 0RG

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 26/11/2014 to 25/11/2015

Signed



Date

17/12/2015

Booth & Co
Coopers House
Intake Lane
Ossett

WF5 0RG

Ref WMA001/PB/AB/LB/MJ

TUESDAY



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A30

22/12/2015

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COMPANIES HOUSE

**W Maw Fuels Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 26/11/2014 To 25/11/2015	From 26/11/2013 To 25/11/2015
	ASSET REALISATIONS		
750 00	Plant & Machinery	NIL	750 00
27,308 24	Cash at Bank	NIL	26,251 14
	Refund of Monies overpaid to Director	NIL	27,131 86
	Bank Interest Gross	18 52	32 40
		<u>18 52</u>	<u>54,165 40</u>
	COST OF REALISATIONS		
	Preparation of S of A	NIL	4,000 00
	Office Holders Fees	4,000 00	14,000 00
	Office Holders Expenses	NIL	674 44
	Accountants Fee	NIL	300 00
	Legal Disbursements	800 00	800 00
	Legal Fees (1)	4,991 60	8,953 60
		<u>(9,791 60)</u>	<u>(28,728 04)</u>
	UNSECURED CREDITORS		
(6,996 00)	Trade & Expense Creditors	NIL	NIL
(100,000 00)	Director- Anthony Scarlett	NIL	NIL
(69,369 17)	HM Revenue & Customs- Assessed C	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(148,308.93)</u>		<u>(9,773.08)</u>	<u>25,437.36</u>
	REPRESENTED BY		
	Bank 1 Current		24,983 36
	Vat Control Account		454 00
			<u>25,437.36</u>



Philip Booth
Liquidator

*Please note that PR Booth & Co Ltd is now trading as Booth & Co.
Please amend your records to reflect our change of address and contact details.*

TO ALL MEMBERS & CREDITORS

When telephoning please ask for Luke Brough

Our ref: PB/LB/WMA001/6

17 December 2015

Dear Sirs

**W Maw Fuels Limited - In Liquidation
Annual Report to Creditors and Notice of Intended Dividend**

I write further to my appointment as Liquidator at the meetings of members and creditors held on 26 November 2013.

I attach a copy of my second progress report on the conduct of the liquidation, including an abstract of the receipts and payments for the 12 months to 25 November 2015.

I also enclose a Notice of Intended Dividend for your information and should be obliged if all creditors, who have not already done so, complete and return the enclosed proof of debt form, along with supporting copy invoices or statements, within the timescale stated on the notice.

Should you have any queries regarding the attached, please contact my colleague Luke Brough.

Yours faithfully



**Philip Booth
Liquidator**

**W MAW FUELS LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION**

**Liquidator's Annual Progress Report To Members And Creditors
Pursuant To Section 104a Of The Insolvency Act 1986 For The
12 Month Period Ended
25 November 2015**

**Philip Booth
Liquidator**

**Booth & Co
Coopers House
Intake Lane
Ossett
WF5 0RG**

Statutory Information

Company Name:	W Maw Fuels Limited ("the Company")		
Company Number:	02648746		
Date of Incorporation:	25 September 1991		
Principal Activity	Coal Merchant		
Registered Office:	Coopers House Intake Lane Ossett WF5 0RG	<i>formerly</i>	Steel Street Holmes Rotherham S61 1DF
Trading Address:	Steel Street Holmes Rotherham S61 1DF		
Date of Liquidation:	26 November 2013		
Liquidator:	Philip Booth		
Basis of Remuneration:	The Liquidator's fees be based on time costs, including those incurred in matters falling outside his statutory duties undertaken at the request of creditors and that the Liquidator be at liberty to draw fees and disbursements in accordance with the foregoing resolution without further reference to creditors		

1. Introduction

- 1.1 Further to my appointment as Liquidator at the meetings of Members and Creditors held on 26 November 2013, I am writing to provide you with my second progress report on the conduct of the liquidation for the period from 26 November 2014 to 25 November 2015.

2. Receipts

- 2.1 Creditors will recall that several matters were under investigation when I issued my last report to creditors on 23 January 2015. I did not set out in detail what these matters were as the matters were ongoing. I have now concluded my investigations and am in a position to disclose more information in respect of them

Potential Preference

- 2.2 The main issue related to a loan made to the Company by a relative of Mr Anthony Scarlett, who is a director. The loan of £40,000 was made in June 2012 and was repaid in March 2013.
- 2.3 On the face of it, the repayment of the loan appeared to be a recoverable preference as per section 239 Insolvency Act [1986]. Initial advice received from Claron Solicitors and Counsel indicated that there was a good prospect that litigation to recover the preference would be successful.
- 2.4 I wrote to the director and the recipient of the repaid loan to request repayment of the £40,000. They responded to say they believed the Company was solvent at the time the transaction was carried out and that the claims from HM Revenue & Customs which rendered the Company insolvent were incorrect. They did not believe the monies were repayable on that basis.
- 2.5 Claron Solicitors suggest that some further information should be obtained prior to commencement of proceedings to ascertain what the financial position of the Company would have been at the date of the transaction in question
- 2.6 A detailed exercise was conducted whereby the Company's bank statements, cash books and sales and purchase ledgers were reviewed for the date in question and an estimate of the assets and liabilities was produced. Information was obtained from the Company's accountants and from the directors themselves to assist with this process.
- 2.7 A provision was made for HM Revenue & Customs' contingent claim of £465,443 to discount it in accordance with accepted case law, as advised by Counsel, to £194,728. All of this information was used to prepare an estimated balance sheet which demonstrated that the Company was likely to be solvent at the time the monies were repaid to Mr Scarlett's relative. This meant that Claron Solicitors and Counsel advised against taking further action in respect of repayment of the loan.

Director's Loan Account

- 2.8 Another issue under investigation related to an alleged accrual of a director's loan account following an investigation by HM Revenue & Customs. They suspected that some cash sales went unrecorded and that the profits from these sales were retained by Mr Scarlett personally.
- 2.9 No direct evidence that this took place on any major scale was found, though poor record keeping and the alleged destruction of some of the books and records led to a difficulty for HM

Revenue & Customs and the Company to say for certain what happened in the period investigated by HM Revenue & Customs.

- 2.10 Advice in respect of this issue was taken from Clarion Solicitors and Counsel who both agreed that there was insufficient evidence available to pursue Mr Scarlett for an overdrawn director's loan account

Refund from Director

- 2.11 Creditors may recall that in the last period of the Company's trading from April 2013 to November 2013, that Mr Scarlett started to sell coal to the Company for resale to customers. As disclosed in my last progress report, I have recovered £27,132 from Mr Scarlett for monies that were overpaid to him in this period
- 2.12 It is possible that Mr Scarlett acted in breach of his fiduciary duties to the Company and disproportionately profited from the Company's sales in this period. I have advised the Company's major creditor, HM Revenue & Customs, that this is a potential line of enquiry and sought their views as to whether they would like me to investigate the matter any further.
- 2.13 HM Revenue & Customs responded to advise me that they wouldn't require any further investigation as there are no guarantees of further recoveries and the costs associated with further investigation would dilute the funds available for creditors

Other Realisations

- 2.14 The only realisation during the period covered by this report is a small amount of bank interest and no other realisations were anticipated in the Statement of Affairs and no other transactions were discovered during my investigation that required further action

3. Payments

- 3.1 As per the resolution passed at the Section 98 meeting of creditors (and as disclosed previously), I have received £4,000 plus VAT for assisting the Directors with the preparation of the Director's Report and Statement of Affairs.
- 3.2 Legal fees of £4,992 plus VAT have been paid to Clarion Solicitors Limited for their advice and assistance with pursuing the various outstanding matters during the period covered by this report. In addition, Counsel's fees of £800 plus VAT have been paid to Clarion Solicitors as a disbursement. This brings total fees paid to Clarion Solicitors to £8,954.
- 3.3 There have been no other payments made during the period covered by this report. Details of office holder expenses are referred to in Section 9 of this report.

4. Debenture Holder & Secured Creditors

- 4.1 There are no secured creditors in this matter.

5. Preferential Creditors

- 5.1 No preferential claims were anticipated in the Statement of Affairs and none have been received.

6. Unsecured Creditors

- 6.1 The Directors estimated in the Statement of Affairs that unsecured creditors, including shortfalls to secured creditors, amounted to £176,365.
- 6.2 I have received two proofs of debt totalling £465,443. The discrepancy arises from the quantum of HM Revenue & Customs' claim as discussed in the Directors' Report. The Directors dispute that any monies are owed to HM Revenue & Customs.
- 6.3 Attached to this report is a Notice of Intended Dividend Creditors that have yet to prove their debts must submit a completed proof of debt form by 12 January 2016 to participate in a first and final dividend
- 6.4 It is estimated that creditors will receive a first and final distribution of between 2p and 4p in the £. However, this is subject to additional claims being received.

7. Director's Conduct Report & Investigation

- 7.1 As required, I have submitted my confidential report to the Department of Trade & Industry. I have also carried out my investigations into the conduct of the business, pursuant to the provisions of Statement of Insolvency Practice 2.
- 7.2 My investigations have revealed several matters which required further investigation, as described above. These matters have now been resolved and there have been no other issues to investigate in this matter

8. Liquidator's Receipts & Payments Account

- 8.1 Attached is a copy of the Liquidator's Abstract of Receipts and Payments for the preceding 12 months ending 25 November 2015.

9. Liquidator's Remuneration

- 9.1 At the first meeting of creditors held on 26 November 2013, it was resolved by the general body of creditors that the Liquidator's fees be based on time costs, including those incurred in matters falling outside his statutory duties undertaken at the request of creditors and that the Liquidator be at liberty to draw fees and disbursements in accordance with the foregoing resolution without further reference to creditors.
- 9.2 To date, I have drawn fees of £14,000 on account of my total time costs of £19,871.50, representing 135.40 hours at an average charge out rate of £146.76 per hour.
- 9.3 Appendix A shows a breakdown of these costs.
- 9.4 This firm's hourly charge out rates changed with effect from 01 April 2015. Please find attached an up to date schedule of the charge out rates.
- 9.5 I estimate that additional closure costs and disbursements of approximately £2,000 plus VAT will be incurred, which includes a provision for future disbursements of £325 plus VAT. This includes statutory advertising costs and storage and destruction of book and records.

- 9.6 Disbursements to the value of £674.44 have been incurred during the period covered by this report, all of which have been repaid. The disbursements incurred are set out in the following table:

<u>Category 1</u> <u>Disbursements</u>	£	<u>Category 2</u> <u>Disbursements</u>	£
Statutory Advertising	225.00	Photocopying	9.90
Insurance Bond	300.00	Room Hire	50.00
Company Search	8.00		
Postage	3.54		
Records Storage	78.00		
	<hr/>		<hr/>
	614.54		59.90
	<hr/>		<hr/>

- 9.7 Category 1 disbursements relate to external services provided which are directly attributable to the case. Category 2 disbursements relate to shared or allocated costs which generally relate to internal charges made for items such as document storage, photocopying, room hire and mileage.
- 9.8 Creditor approval is required for Category 2 disbursements to be charged as an expense of the Liquidation in accordance with best practice guidelines as set out in Statement of Insolvency Practice 9. The creditors approved these charges at the meeting of creditors held on 26 November 2013.
- 9.9 A secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (or with the permission of the Court), have a period of twenty-one days from the date of this progress report to request further information in respect of the Liquidator's remuneration and expenses.
- 9.10 Any secured creditor, or any unsecured creditor with the concurrence of at least 10% in value of the creditors, including that creditor (or with the permission of the Court), may make an application to the Court on the grounds that:-
- The remuneration charged by the Liquidator and, or
 - The basis fixed for the Liquidator's remuneration and, or
 - The expenses incurred by the Liquidator are excessive.

Such an application to the Court must be made within eight weeks of the date of the receipt of the progress report.

- 9.11 A Creditor's Guide to Fees, issued with my original notices, is available and provides explanations of creditors' rights. A copy can be requested by telephoning Booth & Co on 01924 263777.

10. Dividend Prospects

- 10.1 It is estimated that creditors will receive a first and final distribution of between 2p and 4p in the £, as advised above.

11. Conclusion

- 11.1 I hope this report sufficiently updates you on the conduct of the liquidation. However, should you require any further information please do not hesitate to contact me.


Yours faithfully

A handwritten signature in black ink, appearing to read 'P. Booth', with a stylized flourish at the end.

Philip Booth
Liquidator

W Maw Fuels Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

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		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>	<u>NIL</u>
<u>(148,308.93)</u>		<u>(9,773.08)</u>	<u>25,437.36</u>
	REPRESENTED BY		
	Bank 1 Current		24,983 36
	Vat Control Account		454 00
			<u>25,437.36</u>


 Philip Booth
 Liquidator

Time Entry - SIP9 Time & Cost Summary

WMA001 - W Maw Fuels Limited
All Post Appointment Project Codes
From 26/11/2014 To 25/11/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.20	0.00	5.00	1.00	7.20	1,081.50	147.43
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	2.00	0.00	9.40	0.00	11.40	1,771.50	155.39
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	3.30	0.00	20.10	0.00	23.40	3,604.50	154.04
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	6.50	0.00	34.50	1.00	42.00	6,437.50	153.27
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

WMA001 - W Maw Fuels Limited
All Post Appointment Project Codes
From 26/11/2013 To 25/11/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	6.20	0.00	14.40	7.30	27.90	3,653.00	138.10
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	4.60	0.00	13.90	0.20	18.70	2,940.00	157.22
Investigations	1.40	0.00	26.20	0.00	27.60	3,631.00	138.80
Realisation of Assets	10.50	0.00	50.70	0.00	61.20	9,247.50	151.10
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	22.70	0.00	105.20	7.50	135.40	19,871.50	148.78
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

BOOTH & CO – FEES & DISBURSEMENTS 2015/16

ADDITIONAL INFORMATION IN RELATION TO OFFICE HOLDER'S FEES PURSUANT TO THE PROVISIONS OF STATEMENT OF INSOLVENCY PRACTICE 9

Please find outlined below a schedule of Booth & Co charge out rates:-

<u>Staff Grade</u>	Rate/Hour £ (From 01/04/15)	Rate/Hour £ (01/07/12 to 31/03/15)
Insolvency Practitioner (appointment taking)	225-250	210
Senior Manager	195-210	185
Manager	160-175	150
Senior Administrator	140-155	135
Administrator	115-130	100
Cashier/Support	75-110	75

The charge out rates are subject to periodic reviews and change. The higher rates referred to above may be applied on more complex matters. If used, creditors will be informed accordingly.

In cases of exceptional complexity, the insolvency practitioner reserves the right to obtain authority from the committee or the creditors that their remuneration shall be fixed as a percentage of the value of the assets which are realised or distributed, or both.

An analysis of time costs incurred will be provided to creditors under the following areas of activity:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

Disbursements

There are two types of disbursements; direct disbursements (known as 'Category 1') and indirect disbursements (known as 'Category 2').

i) Category 1

Category one disbursements do not require approval by creditors. Typically, these include external supplies of incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel and external printing, room hire, insolvency bond and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Postage, external room hire and insolvency bond costs are charged out at the actual rate incurred.

ii) Category 2

Category two disbursements do require creditor approval and include elements of shared or allocated costs.

- Photocopying is charged at 15p per copy.
- Internal room hire (only charged for meetings of members, creditors or a creditors' committee) is charged at £75 per hour (minimum charge £75; maximum charge £150).
- Mileage is charged at 45p per mile.
- Internal books and records storage is charged at £6 per box per annum.

Insolvency Guide to Unsecured Creditors

The insolvency trade association, R3, has launched a website, www.creditorinsolvencyguide.co.uk for cases in England and Wales, which is a step-by-step guide to the insolvency process for unsecured creditors, particularly small businesses who are unfamiliar with the insolvency process.

It sets out in straightforward English how creditors can engage in the insolvency process and includes:

- how different insolvency procedures work;
- simple explanations of insolvency terminology,
- useful tips on how to help oversee the running of the insolvency case.

For additional information regarding the remuneration of insolvency practitioners, please use the link [http //www.insolvency-practitioners.org.uk/regulation-and-guidance/england-wales](http://www.insolvency-practitioners.org.uk/regulation-and-guidance/england-wales) and click on 'SIP 9'