

# 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

02945406

Name of Company

North East Aluminium (UK) Limited

I / We

Michael Chamberlain, Resolution House, 12 Mill Hill, Leeds, LS1 5DQ

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 12/07/2014 to 11/07/2015

Signed



Date

16/7/15

Chamberlain & Co  
Resolution House  
12 Mill Hill  
Leeds  
LS1 5DQ

Ref 9886/SA/DR

MONDAY



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A17 20/07/2015 #166  
COMPANIES HOUSE

**North East Aluminium (UK) Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 12/07/2014 To 11/07/2015	From 12/07/2012 To 11/07/2015
	<b>ASSET REALISATIONS</b>		
18,378 00	Retentions	4,048 77	26,146 95
	Applications	NIL	3,896 95
	Misc Application	NIL	1,981 84
	Bank Interest Gross	2 83	6 10
		<u>4,051 60</u>	<u>32,031 84</u>
	<b>COST OF REALISATIONS</b>		
	Petitioners Costs	NIL	1,570 00
	Specific Bond	NIL	296 00
	Preparation of S of A	NIL	5,000 00
	Liquidator's Remuneration	NIL	13,000 00
	Search Fees	NIL	12 00
	Agents/Valuers Fees	100 00	100 00
	Debt Collection fees	1,793 02	5,614 44
	Statutory Advertising	NIL	198 00
		<u>(1,893 02)</u>	<u>(25,790 44)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(8,918 32)	Employees - Wage Arrears	NIL	NIL
(12,553 92)	Employees - Holiday Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>FLOATING CHARGE CREDITORS</b>		
(4,918 00)	HSBC Bank plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>		
(288,667 43)	Trade & Expense	NIL	NIL
(68,519 06)	Employees - Redundancy	NIL	NIL
(44,590 29)	Employees - Pay in Lieu of Notice	NIL	NIL
(10,737 67)	Directors	NIL	NIL
(20,000 00)	HM Revenue & Customs - PAYE	NIL	NIL
(1,233 74)	Employees Arrears of Pay	NIL	NIL
(12,000 00)	HM Revenue & Customs - VAT	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(453,860 43)</b>		<u><b>2,158.58</b></u>	<u><b>6,241 40</b></u>
	<b>REPRESENTED BY</b>		
	RBS Current A/C		6,241 40
			<u><b>6,241.40</b></u>



Michael Chamberlain  
15 July 2015 09:53  
Liquidator

**NORTH EAST ALUMINIUM (UK) LIMITED  
(IN LIQUIDATION)**

**Progress Report  
pursuant to Section 104A of the Insolvency Act 1986**

**Chamberlain & Co  
15 July 2015**

## **INTRODUCTION**

Michael Chamberlain was appointed Liquidator of North East Aluminium (UK) Limited ("the Company") on 12 July 2012 by the Company's members and creditors pursuant to Section 100 of the Insolvency Act 1986 ("The Act")

Michael Chamberlain is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales

The EC Regulation on Insolvency Proceedings 2000 will apply in this matter and these proceedings will be the main proceedings as defined by Article 3 of the EC Regulation. The Company's registered office and centre of main interests are in the United Kingdom.

In accordance with Rule 4.49C of the Act, I now set out my progress report on the conduct of the Liquidation. This report should be read in conjunction with my previous report.

## **RECEIPTS AND PAYMENTS**

An abstract of the Liquidator's receipts and payments for the period 12 July 2012 to 11 July 2015 is attached at Appendix 2.

All transactions are shown net of VAT.

## **ASSET REALISATIONS**

### **Retentions**

The director's statement of affairs indicated that the Company's retentions, with a book value of £45,944 were estimated to realise £18,378. Following discussions with the Company's director and a review of the Company's historic records, I was able to identify a further £34,009.05 of potential retentions that were due to the Company. I issued initial letters to all of the Company's customers requesting settlement of the balances outstanding. I subsequently received a response from the majority of the Company's customers who claimed that the balances were either disputed, in an insolvency process or not due for release until the Defects periods had expired in some instances to July 2014. In August 2013 I instructed Contract Recovery Solutions Limited ("CRS"), a specialist debt recovery firm specialising in such situations, to assist with the collection of retentions due to the Company. A review of the correspondence on the file by CRS indicated retentions still to be collected amounting to £21,591. CRS have been able to collect £4,048.77 in the period. Therefore realisations from retentions totalled £26,146.95. CRS have advised that there are 2 further retentions to be collected from 1 client. These contracts have yet to be fully signed off and CRS are continuing to monitor the situation.

Gross interest of £6.10 has been earned on funds held on deposit during the period of my administration.

No further asset realisations have been made.

## **INVESTIGATIONS**

I can confirm that I have complied with my obligations in relation to my investigations into the affairs of the Company and have submitted my report in accordance with the requirements of the Company Directors Disqualification Act 1986. The contents of this report are confidential.

My investigations did not identify any further potential assets that may have been capable of realisation for the benefit of creditors

## **PAYMENTS**

### **Remuneration**

As agreed at the meetings of members and creditors, I have drawn a fee of £5,000 plus VAT on account for assisting the director in preparing the statement of affairs and convening the meetings of members and creditors necessary to place the Company into liquidation.

It was proposed and agreed at a meeting of creditors held on 12 July 2012 that the Liquidator will be remunerated on a time cost basis in accordance with Rule 4 127 (2) (B) of the Insolvency Rules 1986

In accordance with the revised Statement of Insolvency Practice 9 which came into force on 1 November 2011, summaries of time costs incurred are appended to this report for the period 12 July 2012 to 11 July 2015 and for the period 12 July 2014 to 11 July 2015, the period since the last report. These costs were approximately £32,294 20 and £2,063 50 at an average hourly rate of £180 and £190 respectively. In common with all professional firms our scale rates increase from time to time over the period of administration of each insolvency case. I have drawn £13,000 plus VAT on account of my remuneration over the duration of the appointment. A schedule of my firm's chargeout rates and charging policy is attached at Appendix 3

My disbursements total £506 00 and comprise the following

<b>Disbursement</b>	<b>Payee</b>	<b>Amount (£)</b>
Specific Bond	Marsh Limited	296 00
Search fees	Companies House	8 00
Search fees	Land Registry	4 00
Statutory advertising – London Gazette	Courts Advertising Limited	198 00

All disbursements have been charged at cost.

I should advise you that creditors have the right to request that the liquidator provides further information about his remuneration and expenses incurred during the administration of the liquidation. The request must be made in writing, within 21 days of receipt of this report, and can be made by a secured creditor or an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors or with the permission of the court. Furthermore, creditors have the right to challenge the liquidator's remuneration and expenses by application to the court within 8 weeks of receiving this report.

### **Other Payments**

I have paid the sum of £5,614.44 plus VAT to CRS in connection with their assistance with the collection of the Company's retentions. CRS's fee for debt recovery services was agreed at 40% of recoveries made.

I have paid the sum of £100 plus VAT to Eddisons in connection with their advice on the value of a vehicle on finance owned by the Company. The basis of the remuneration is on an hourly rate.

I consider CRS and Eddisons to be firms of repute with the appropriate expertise in their respective fields. My experience of working with these firms indicates that their internal delegation results in charges which are cost-effective for this kind of work

Prior to my appointment a creditor of the Company had petitioned for the winding of the Company and I was unaware of the petition until after the meeting of creditors to place the Company into Creditors' Voluntary Liquidation. I have settled the petitioning costs of £1,570.00 plus VAT

#### **PRESCRIBED PART**

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to Section 176A of The Act. The prescribed part applies to floating charges created on or after 15 September 2003

The floating charge HSBC Bank plc is dated after the 15 September 2003. It is anticipated that there will be no distribution to non-preferential creditors under Section 176A of the Insolvency Act 1986 as the net assets, after costs, are estimated to be less than £10,000.

#### **CREDITORS' CLAIMS**

I have not received a claim from the Redundancy Payments Service to date, however the preferential claim is estimated to be in the region of £23,000

I have received 39 non-preferential claims totalling £188,138.81. Claims from preferential and non-preferential creditors have not been admitted to rank for dividend purposes as there are insufficient funds within the liquidation to make a dividend available to this class of creditors

#### **OTHER MATTERS**

I shall report to you further once I am in a position to conclude my administration of this liquidation, or if earlier, the next anniversary. If in the meantime you require any further information please do not hesitate to contact me

Yours faithfully  
For North East Aluminium (UK) Limited  
(In Liquidation)



M Chamberlain  
Liquidator

## APPENDIX 1

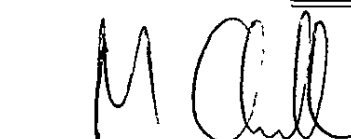
The liquidator appends below the following additional information required under Rule 4 49C of the Insolvency Rules 1986.

### **Statutory Information**

<b>Company Name:</b>	North East Aluminium (UK) Limited
<b>Company Number:</b>	02945406
<b>Registered Office:</b>	c/o Chamberlain & Co, Resolution House, 12 Mill Hill, Leeds, LS1 5DQ previously Unit 4 South Shore Road, East Gateshead Industrial Estate, Gateshead, NE8 3AE
<b>Liquidator:</b>	Michael Chamberlain
<b>Liquidator's Address:</b>	Resolution House 12 Mill Hill Leeds LS1 5DQ
<b>Date of Appointment:</b>	12 July 2013

**North East Aluminium (UK) Limited**  
**(In Liquidation)**  
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	<b>REPRESENTED BY</b>		
	RBS Current A/C		6,241 40
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Michael Chamberlain  
Liquidator

**Chamberlain & Co****IME & CHARGEOUT SUMMARIES**

North East Aluminium (UK) Limited North East

2/07/2012 to 11/07/2015

**HOURS**

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	4 10	21 81	11 90	11 20	49 01	7,512 45	153 28
Investigations	1 10	14 50	0 00	2 25	17 85	3,200 25	179 29
Realisation of Assets	2 40	69 50	0 00	0 00	71 90	14,031 00	195 15
Trading	0 00	1 30	0 00	0 00	1 30	286 00	220 00
Creditors	5 50	26 00	0 00	7 45	38 95	7,264 50	186 51
Total Time Cost	3,868 50	25,546 95	1,304 00	1,574 75		32,294 20	
Total Hours	13 10	133 11	11 90	20 90	179 01		
Average Rate	295 31	191 92	109 58	75 35			

Total Fees Claimed	13,000 00
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**Chamberlain & Co**

**TIME & CHARGEOUT SUMMARIES**

North East Aluminium (UK) Limited North East

2/07/2014 to 11/07/2015

**HOURS**

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0 30	5 25	0 00	0 90	6 45	1,085 00	168 22
Realisation of Assets	0 00	1 30	0 00	0 00	1 30	274 00	210 77
Creditors	0 60	2 50	0 00	0 00	3 10	704 50	227 26
Investigations	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
Total Time Cost	277 50	1,745 50	0 00	40 50		2,063 50	
Total Hours	0 90	9 05	0 00	0 90	10 85		
Average Rate	308 33	192 87	0 00	45 00			
Total Fees Claimed						0 00	

## Statement of Liquidator's Remuneration Pursuant to Statement of Insolvency Practice No.9

### Charging and Disbursement Policy

#### Liquidator's charging policy for fees

The Insolvency Rules 1986 provide that the Liquidator's remuneration may be fixed on the basis of time properly spent by the Liquidator and his staff in attending to matters arising in the Liquidation.

The Liquidator has engaged managers and other staff to work on the Liquidation. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by cashiers dealing with the company's bank accounts and statutory compliance diaries, and other support services and filing clerks. Work carried out by all staff is subject to the overall supervision of the Liquidator.

All time spent by staff working directly on case-related matters is charged to a time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The basis of charging is in six minutes units. The hourly rate for each category of staff over the duration of the liquidation is shown below.

Grade	£ per hour 01/09/11	£ per hour 01/09/12	£ per hour 01/09/13	£ per hour 01/09/14
Directors	275-295	275-295	275-295	295-325
Managers	185-220	185-220	185-220	205-245
Other Senior Professionals	110-155	105-155	105-155	105-170
Assistants and Support Staff	75-95	75-95	30-95	30-95

A copy of the R3 (Association of Business Recovery Professionals) creditors' guide to Liquidator's fees may be obtained by contacting David Render at the above address or at [www.r3.org.uk](http://www.r3.org.uk).

#### Liquidator's charging policy for disbursements

Statement of Insolvency Practice No 9 divides disbursements into two categories.

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is my firm's policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. I am prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration. It is not my firm's current policy to charge Category 2 disbursements. However, were this to change, I would seek approval for Category 2 disbursements before they are drawn in line with the Statement