

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



A26 *A68O9K2I* #76
15/06/2017
COMPANIES HOUSE

1 Company details

Company number 0 3 7 5 6 3 1 3

Company name in full FluidUK Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Jason Mark

Surname Elliott

3 Liquidator's address

Building name/number Regency House

Street 45-51 Chorley New Road

Post town Bolton

County/Region

Postcode B L 1 4 Q R

Country

4 Liquidator's name ①

Full forename(s) Craig

Surname Johns

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Regency House

Street 45-51 Chorley New Road

Post town Bolton

County/Region

Postcode B L 1 4 Q R

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 2	^d 1	^m 0	^m 4	^y 2	^y 0	^y 1	^y 6
To date	^d 2	^d 0	^m 0	^m 4	^y 2	^y 0	^y 1	^y 7

7 Progress report

☐ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 4	^m 0	^m 6	^y 2	^y 0	^y 1	^y 7
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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	Amanda Hamlin				
Company name	Cowgill Holloway Business Recovery				
Address	Regency House				
	45-51 Chorley New Road				
Post town	Bolton				
County/Region					
Postcode	B	L	1	4	Q R
Country					
DX					
Telephone	0161 827 1200				



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

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 or email 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

FluidUK Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 21/04/2016 To 20/04/2017 £	From 21/04/2016 To 20/04/2017 £
ASSET REALISATIONS		
Directors Loan Account	33,500.00	33,500.00
Transfer from administration	5,296.80	5,296.80
	<u>38,796.80</u>	<u>38,796.80</u>
COST OF REALISATIONS		
Office Holders Fees	13,100.00	13,100.00
Legal Fees	5,259.00	5,259.00
Legal Disbursements	2.00	2.00
Statutory Advertising	84.60	84.60
	<u>(18,445.60)</u>	<u>(18,445.60)</u>
	<u>20,351.20</u>	<u>20,351.20</u>
REPRESENTED BY		
Bank 1 Current		20,351.20
		<u>20,351.20</u>

Craig Johns
Joint Liquidator

Joint Liquidators' Annual Progress Report to Creditors & Members

**FluidUK Limited
- In Liquidation**

13 June 2017

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- B** Joint Liquidators' Time Analysis for the Period from 21 April 2016 to 20 April 2017
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1 Introduction and Statutory Information

- 1.1 By way of a reminder, I was appointed Joint Administrator of FluidUK Limited ("the Company") on 28 April 2015 along with my colleague Jason Mark Elliott. The Company was subsequently placed into Creditors Voluntary Liquidation on 21 April 2016 with Jason Mark Elliott and I being appointed as Joint Liquidators.
- 1.2 The principal trading address of the Company was Units 5 & 6 Falcongate Industrial Estate, Old Gorsey Lane, Wallasey CH44 4HD.
- 1.3 The registered office of the Company has been changed to c/o Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton BL1 4QR and its registered number is 03756313.
- 1.4 This progress report covers the period from 21 April 2016 to 20 April 2017 ("the Period") and should be read in conjunction with the Joint Administrators' Final Progress Report ("FPR") which was circulated to all creditors on 27 April 2016.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.
- 2.2 At Appendix A is our Receipts and Payments Account for the Period from 21 April 2016 to 20 April 2017.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 2.5 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Book Debts

- 2.6 As disclosed in the FPR the Company operated an invoice finance agreement with Bibby Financial Services Limited ("Bibby") who were granted a Debenture incorporating a fixed and floating charge over the assets which was created on 21 April 2015 and registered on 23 April 2015.

- 2.7 Bibby have confirmed that it has been paid in full from book debt receipts, although there was an outstanding ledger to collect, in the sum of £12,955, which was reassigned to the Joint Administrators.
- 2.8 Correspondence has been entered into with the debtors, with a view to collecting the remaining balance, although a number of disputes have been raised and following a further review of the matter, the book debts are uneconomical to pursue.
- 2.9 No recoveries will be made in this respect.

Transfer from Administration

- 2.10 Funds in the sum of £5,297 were forwarded to the Joint Liquidators.

Directors' Loan Accounts

- 2.11 As detailed in the FPR, which was circulated to creditors on 27 April 2016 there are three overdrawn Directors Loan Accounts ("DLA") in respect to James Dawson, Sarah Dawson and Steven Strachan in the sum of £417,171; £27,439 and £19,010, respectively.
- 2.12 No amounts were realised during the Administration; however, the Joint Administrators had received an offer of £50,000 in respect of Mr & Mrs Dawson's DLA .
- 2.13 Following appointment as Joint Liquidators, a settlement agreement was entered into for the sum of £55,000 in settlement of all three DLAs.
- 2.14 The sum of £500 per week is being received and the sum of £33,500 has been received during the period of this report.
- 2.15 A further update will be provided in the next progress report.
- 2.16 It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 2.17 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.18 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.19 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the

dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

2.20 We consider the following matters worth noting in my report to creditors at this stage:

- There are approximately 85 unsecured creditors in this case with a value per the director(s) statement of affairs of £480,021
- There is one secured creditor although they have confirmed that they were paid in full in the Administration

Investigations

2.21 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.

2.22 We can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents.

Unrealised Assets

2.23 As per paragraphs 2.11 to 2.14 the Joint Liquidators are continuing to pursue the outstanding DLA. A further update will be provided in the next progress report.

3 Creditors

Secured Creditors

3.1 Bibby were granted a Debenture incorporating a fixed and floating charge over the assets, which was created on 21 April 2015 and registered on 23 April 2015. Bibby have confirmed that it has been paid in full from book debt receipts, collected in the Administration.

Preferential Creditors

3.2 There are no preferential creditors in this matter.

Unsecured Creditors

3.3 We have received claims totalling £246,022 from 26 creditors. We have yet to receive claims from 59 creditors whose debts total £278,612 as per the Company's statement of affairs.

3.4 The Company granted a floating charge to Bibby on 21 April 2015.

3.5 In accordance with s176A of the Insolvency Act 1986 (as amended) where a floating charge has been created after 15 September 2003, a Liquidator must make a prescribed part of a Company's net property available for the satisfaction of its unsecured creditors. However; as Bibby have been paid in full from fixed charge realisations during the Administration, there

will be no floating charge distribution and therefore there is no requirement to set as side a Prescribed Part Fund.

- 3.6 Based on the estimated realisations in respect to the outstanding DLA, it is estimated that a dividend will be paid to unsecured creditors. However, we are unable to advise on timing and quantum as this is entirely dependent on actual recoveries received and the quantum of claims received.
- 3.7 We would confirm that we are not yet in a position to declare a dividend to unsecured creditors as we are continuing to collect the outstanding Directors Loan Account and believe that it is cost effective to wait for this to be recovered prior to issuing a first & final distribution as opposed to making an interim distribution prior to collecting the DLA.
- 3.8 A further update will be provided in the next report to creditors.
- 3.9 We would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

4 Joint Liquidators' Remuneration

- 4.1 Where a company in Administration subsequently moves into Liquidation under Paragraph 83 of Schedule B1 to the Insolvency Act 1986 and the Administrator becomes the Liquidator, the basis of fees fixed in the earlier Administration automatically transfers to the subsequent liquidation. On insolvency appointments after 1 October 2015, an Administrator can provide a fees estimate for the liquidation (if he envisages the Company will move into liquidation on exit from the Administration) either with his proposals in the earlier Administration or following his appointment as Liquidator.
- 4.2 In this case, the basis of our remuneration was fixed on a time costs basis and this transferred over to the Liquidation. Our fees estimate for the Liquidation was provided following our appointment and was approved by the creditors on 20 May 2016.
- 4.3 A copy of that estimate is reproduced below:

	Partner	Director	Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (inc statutory compliance & reporting)	4.00	-	12.50	23.50	6.00	-	5.50	51.50	10,415.00	202.23
Case specific matters (where applicable)	-	-	-	-	-	-	-	-	0.00	0.00
Creditors (claims & distributions)	3.00	-	8.00	21.00	4.00	-	12.00	48.00	8,945.00	186.35
Investigations	1.50	-	3.50	8.00	-	-	-	13.00	2,877.50	221.35
Realisation of assets	2.50	-	5.00	8.50	-	-	4.00	20.00	4,197.50	209.88
Trading (where applicable)	-	-	-	-	-	-	-	-	0.00	0.00
Total Hours	11.00	-	29.00	61.00	10.00	-	21.50	132.50	26,435.00	199.51

- 4.4 Our time costs for the Period are £13,499. This represents 61 hours at an average rate of £223 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs

incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by us in managing the liquidation. To date, the sum of £13,100 plus VAT has been drawn on account.

- 4.5 The majority of time has been spent as follows;

Administration (Including Statutory, Compliance & Reporting)

- 4.6 Time spent on this category which is in the sum of £4,152 representing 26 hours at an average rate of £158 per hour, relates to, but is not limited to, preparing and circulating the statutory notice of Liquidation to various parties, dealing with general telephone queries, general written correspondence, file reviews, the posting of income and expenditure vouchers and the production of monthly bank reconciliations.
- 4.7 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.cowgills.co.uk/wp-content/uploads/2015/07/Liquidators-Fees.pdf>.
- 4.8 Attached as Appendix C is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' Rights

- 5.1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 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, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

6 Next Report

- 6.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.
- 6.2 If you have any queries in relation to the contents of this report, Amanda Hamlin can be contacted by telephone on 0161 827 1204 or by email at amanda.hamlin@cowgills.co.uk.

Yours faithfully



Craig Johns
Joint Liquidator

Appendix A

**Joint Liquidators' Receipts and Payments Account for the Period from
21 April 2016 to 20 April 2017**

	Statement of Affairs	From 21/04/2016 to 20/04/2017
	£	£
Receipts		
Director's Loan Account	N/A	33,500
Transfer from Administration	N/A	5,297
	<u>-</u>	<u>38,797</u>
Payments		
Joint Liquidators' Fees		13,100
Legal Fees		5,259
Legal Disbursements		2
Statutory Advertising		85
		<u>18,446</u>
Balance		<u>20,351</u>
Made up as Follows		
Bank Current - Non Interest Bearing		20,531
		<u>20,531</u>

Appendix B

Joint Liquidators' Time Analysis for the Period from 21 April 2016 to 20 April 2017

	Partner	Director	Manager	Administrator	Senior Administrator	Administrator	Junior Administrator	Cashier	Total hours	Total Cost £	Average Cost £
Administration (inc statutory compliance & reporting)	-	-	-	-	16.80	-	-	9.40	26.20	4,152.00	158.47
Realisation of assets	13.30	-	3.30	10.80	1.40	-	-	-	28.80	7,966.50	276.61
Creditors (claims & distributions)	-	-	-	0.60	-	-	-	-	0.60	108.00	180.00
Investigations	2.00	-	-	2.90	-	-	-	-	4.90	1,272.00	259.59
Trading (where applicable)	-	-	-	-	-	-	-	-	-	-	-
Case specific matters (where applicable)	-	-	-	-	-	-	-	-	-	-	-
Total Hours	15.30	-	3.30	31.10	1.40	-	-	9.40	60.50	13,498.50	223.12
Current Chargeout Rates	375.00	300.00	250.00	180.00	150.00	30.00	120.00				

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Turner Parkinson Solicitors (legal advice)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Liquidator's Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost £
Statutory advertising	255 plus VAT
External storage of company's books and records	200 plus VAT

Current position of Liquidator's expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Solicitors' costs	5,261 plus VAT	Nil	5,261 plus VAT
Statutory advertising	85 plus VAT	Nil	169 plus VAT
External storage of books & records	Nil	Nil	200 plus VAT

3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

4.1 Cowgill Holloway Business Recovery LLP's current charge-out rates are detailed below.

Staff Grade	Rate per Hour
Partner	£375
Consultant	£300
Director	£300
Manager	£250
Senior Administrator	£180
Administrator	£150
Cashier/Support	£120
Junior Administrator	£100

4.2 Please note this firm records its time in minimum units of 6 minutes.