

Liquidator's Progress Report

S.192

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

To the Registrar of Companies

Company Number

06062477

Name of Company

(a) Insert full name of
company

(a) FULMAR LIMITED

(b) Insert full name(s) and
address(es)

I (b)

Isobel Susan Brett of Bretts Business Recovery Limited, 141 Parrock Street, Gravesend, Kent,
DA12 1EY

the liquidator of the company attach a copy of my Progress Report under section 192 of the
Insolvency Act 1986

The Progress Report covers the period from 19 December 2014 to 18 December 2015

Signed 

Date 12/2/16

Presenter's name,
address and reference (if
any)

Isobel Susan Brett
Bretts Business Recovery Limited
141 Parrock Street
Gravesend
Kent
DA12 1EY

WEDNESDAY



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COMPANIES HOUSE

FULMAR LIMITED IN CREDITORS VOLUNTARY LIQUIDATION

ANNUAL REPORT

12 FEBRUARY 2016

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1. INTRODUCTION

The purpose of this report is to detail the acts and dealings of the Liquidators

2. BACKGROUND

REGISTERED NAME, ADDRESS AND NUMBER

FULMAR LIMITED (In Liquidation), ("the Company")

Registered Office 141 Parrock Street, Gravesend, Kent, DA12 1EY

Former Registered Office 8 Moorfield Road, Orpington, Kent, BR6 HQ

Registered Number 06062477

Trading Names

APPOINTMENT DETAILS

Name of Liquidator: Isobel Susan Brett

Address of Liquidator: 141 Parrock Street, Gravesend, Kent, DA12 1EY

Date of Appointment of Liquidator: 19 December 2014

The company's principal activity was Plumbing

The main causes of failure were

- 1 Bad debt The Company suffered a £40,000 bad debt from a company called Farnrise Construction This is in addition to £20,000 suffered in 2013
- 2 The Company's largest clients, Ellmers Construction, with whom the Company had enjoyed a previously good working relationship, altered their terms of payment from 35 days to 90 days which significantly impacted on the Company's cash flow
- 3 Peter Dovey became very ill and was hospitalised for a number of weeks Peter's role within the Company was that of designer and project manager Without him the Company's contracts were not managed as efficiently as normal The Company's clients began to find reasons for non-payment

Management fee charges were incurred on one specific job which had an overall contract value of £800,000 This ultimately meant that a small loss on this contract was incurred

In addition, a second contract worth approximately £500,000 has been completed and the main contractor has refused to pay the outstanding £80,000 which is due As a direct result of this the Company was unable to meet its liabilities as and when they fell due

- 4 A new contract with an approximate value of £350,000 was expected to commence at the beginning of December 2014 however the job was postponed until 2015
-

3. ASSET REALISATIONS

The Liquidators Receipts and Payment account for the period from 19 December 2014 to 18 December 2015 is attached at Appendix 1

Asset Name	Est. To Realise £	Realised To Date £
Plant & Machinery	2,000 00	1,032 00
Corporation Tax Refund	0 00	7,173 54
Cash at Bank	25,110 01	24,546 07
Retentions	45,635 00	11,505 82
Bank Interest Net of Tax	0 00	60 38
Insurance Claim	0 00	2,000 00
Total	72,745.01	46,317.81

According to the statement of affairs lodged in these proceedings, the assets of the company had an estimated value of £72,745 01, which comprised principally of retentions and cash at bank

Assets

Plant & Machinery (including Motor Vehicle and Office Equipment)

The Company owned a Citroen Berlingo van. This motor vehicle was sold at auction by G J & Co Auctioneers & Valuers on 17th December 2014, for the sum of £500 and this sum, less costs, was paid to the Liquidator

The Company's plant and machinery consisted of various small items of electric tools and equipment

The Company also had various items of office furniture and equipment. These were not considered to have a high realisable value

The above items were sold at auction and the sum of £1,032 was received

Corporation Tax Refund

The sum of £7,173 54 has been received in respect of a pre appointment corporation tax refund

Cash at Bank

The Company held two bank accounts with Barclays Bank Plc a current account and a savings account and the closing balances totalling £24,546 07 was received

Retentions

The sum of £269,763 86 is due to the Company in respect of unpaid retentions, WIP and debtors. I instructed my agent Kinetica Consult Ltd, who specialises in debt recovery in the construction and property sector, to act on behalf in recovering the outstanding amounts due. The estimated realisation was expected between £45,000 and £128,000 dependent on the level of disputes arising

To date the sum of £11,505 82 has been recovered

Kinetica are continuing to pursue the remaining debtors who are disputing the amounts due

Insurance Claim

One of the Company's motor vehicles was involved in a traffic accident in July 2014 and was collected by the insurance company to assess the damage on the vehicle. The insurance company subsequently wrote off the vehicle and awarded the Company the sum of £2,000.

Potential Preference Claim

Upon reviewing the Company's bank statements I identified two payments of £45,000 debited from the account to each of the Directors on 27 and 28 November 2014 in respect of repayment of loans which was made to the Company in May 2014.

These payments were made to connected parties within 6 months of the date of Liquidation and constitutes a potential preference claim pursuant to S239 of the Insolvency Act 1983.

I have instructed my solicitor, Whitehead Monckton's, to review this matter and pursue this further.

Bank Interest Net of Tax

During the period covered by this report the sum of £60.38 has been received in respect of bank interest.

4. INVESTIGATION

An initial investigation into the company's affairs was undertaken to establish whether there were any potential asset recoveries or conduct matters that justified further investigation.

There were no matters that justified further investigation in the circumstances of this appointment.

A report on the conduct of any individuals, who have been directors of the Company in the three years prior to the insolvency, is required to be submitted to the Secretary of State within six months of our appointment. I would confirm that our report has been submitted.

5. CREDITORS CLAIMS & DIVIDEND PROSPECTS

Secured Creditors

There are no secured creditors in this matter.

Dividend In Relation to the Prescribed Part

The Liquidator must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the company has granted a floating charge to a creditor after 15 September 2003. As there are no secured creditors in this matter the prescribed part does not apply.

Preferential creditors

The preferential creditors' claims amounted to £19,671.61 and were in respect of 2 directors and 11 of employees for wage arrears and/or holiday pay.

The preferential creditors claim are in the process of being quantified and it is anticipated that a dividend will be paid shortly.

Unsecured creditors

Creditors' claims, as per the statement of affairs totalled £334,024 93 and the agreed creditors' claims received to date total £175,442 84

6. COSTS AND EXPENSES

The payments shown on the summary of the Receipts and Payments at Appendix I are in the main self-explanatory

Pre-Appointment Costs

Fixed fee agreed with the Directors and ratified by members and creditors.

The creditors authorised the fee of £4,000 00 for assisting the directors in calling the relevant meeting and with preparing the statement of affairs on 19 December 2014

The fee for the statement of affairs and meetings was paid from first realisations on appointment and is shown in the enclosed receipts and payments account

Liquidator's Remuneration

The Liquidator's remuneration was approved on a time cost basis in relation to this assignment, as authorised by creditors at the S98 Meeting on the 19 December 2014 in accordance with the following resolution

"That the Liquidator's remuneration be fixed by reference to time properly given by the Liquidator and her staff in attending to the matters arising in the winding up, with authority to draw fees generally on account, as and when funds become available "

Summary of Costs

The Liquidator's time costs for the period 19 December 2014 to 19 December 2015 totals £14,232 50 representing 78 40 hours at an average hourly rate of £181 54

The sum of £4,000 00 has been drawn during the period covered by this report. The time costs are detailed at Appendix 2. A copy of Bretts Business Recovery Limited current disbursement and charge-out rate policy is attached at Appendix 3

Liquidator's Disbursements

The Liquidator's disbursements incurred for the period 19 December 2014 to 18 December 2015 total £975 86

Shown below is a list of Category 1 disbursements which have been incurred but not reimbursed

Type of Disbursement	Amount Outstanding
Postage	63 00
Statutory Advertising	165 66
Insolvency Bond	237 00
Storage Costs	128 40
Computer Software Licence Fee	155 00
Total	749 06

The Liquidator's category 2 disbursements which have been incurred during the period of this report is £226 80 and not yet paid during the period are detailed below

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Type of Disbursement	Amount Outstanding
Stationery	226.80
Total	226.80

Information about this insolvency process may be found on the R3 website here <http://www.creditorinsolvencyguide.co.uk/> A copy of 'A Creditors Guide to Liquidators' Fees' together with the firm's charge-out rate and disbursement policy may be found at www.brettsbr.co.uk/cglf/ A hard copy of both the Creditors Guide and the firm's charge-out rate and disbursement policy may be obtained on request

Other professional Costs

Solicitors

Whitehead Monckton Limited were instructed as legal advisors in relation to potential preference claims. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT.

Agents & Valuers

G J Wisdom & Co were instructed as agents and valuers in relation to valuing and selling the Company's assets. Their costs have been agreed on a percentage basis, plus disbursements and VAT. The agent's fees for the period 19 December 2014 to 18 December 2015 amount to £1,032 plus VAT and have been paid in full.

Kinetica Consult Ltd have been instructed as agents in respect of collections of the Company's retentions and book debts. Their costs have been agreed on a percentage basis, plus disbursements and VAT. Their fees for the period 19 December 2014 to 18 December 2015 amount to £4,418.05 and they have been paid in full.

8 FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

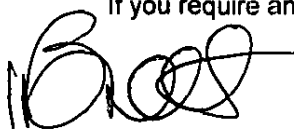
9 CONCLUSION

The administration of the liquidation will be continuing to finalise the potential preference claims and until all outstanding retentions and book debts have been collected.

As an Insolvency Practitioner, when carrying out all professional work relating to an insolvency appointment, I am bound by the Insolvency Code of Ethics, as well as by the regulations of my professional body. More details about these matters and general information about Bretts Business Recovery Limited that is of relevance to Members can be found at <http://www.brettsbr.co.uk/insolvency-rules/servicesregulations/>

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If you require any further information please contact Victoria Edwards on 01474 532862


A handwritten signature in black ink, appearing to read 'Isobel Brett', with a horizontal line extending from the end of the signature.

Isobel Susan Brett
Liquidator



**Fulmar Limited - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments**

From 19 December 2014 to 18 December 2015

S of A £		From 19/12/14
		To 18/12/15
ASSET REALISATIONS		
2,000 00	Plant & Machinery	1,032 00
NIL	Corporation Tax Refund	7,173 54
25,110 01	Cash at Bank	24,546 07
45,635 00	Retentions	11,505 82
	Bank Interest Net of Tax	60 38
	Insurance Claim	2,000 00
		<u>46,317 81</u>
COST OF REALISATIONS		
	Statement of Affairs Fee	(4,000 00)
	Office Holders Fees	(4,000 00)
	Agents/Valuers Fees (1)	(5,450 05)
	Accountancy Fees	(290 00)
110 00	Case Management Fee	NIL
		<u>(13,740 05)</u>
PREFERENTIAL CREDITORS		
(2,998 11)	Employee	NIL
	Redundancy Payments Office	NIL
		<u>NIL</u>
UNSECURED CREDITORS		
(3,113 07)	Employee	NIL
	Redundancy Payments Office	NIL
(249,010 06)	Trade Creditor	NIL
(33,034 81)	HM Revenue & Customs	NIL
(28,347 03)	HM Revenue & Customs PAYE/NIC	NIL
(4,500 00)	Peter Dovey	NIL
		<u>NIL</u>
		<u>32,577.76</u>
REPRESENTED BY		
	Vat Payable	(206 40)
	Vat Receivable	2,748 01
	Vat Control Account	(221 45)
	Fulmar Ltd	30,257 60
		<u>32,577.76</u>
		
		Isobel Susan Brett
		Liquidator

FULMAR LIMITED

Period 19 December 2014 to 18 December 2015

Classification of work undertaken	IP	Manager	Admin	Support	Total Hours	Total (£)	Average Rate per Hour
	Hours	Hours	Hours	Hours			
Administration & Planning	2 40	0 00	15 10	11 30	28 80	4,925 00	171 01
Investigations	2 20	0 00	16 80	9 00	28 00	4,830 00	172 50
Realisation of Assets	2 80	0 00	6 20	0 00	9 00	2,057 50	228 61
Creditors	0 10	0 00	11 50	1 00	12 60	2,420 00	192 06
TOTALS	7 50	0 00	49 60	21 30	78 40	14,232 50	181 54

Disbursements & Charge-out Rates

Introduction

This statement has been prepared in accordance with the guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3) The following information applies to all appointments of partners or staff of Bretts Business Recovery Ltd to act as any of the following

- Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or LLP
- Trustee in Bankruptcy
- Supervisor of an Individual, Company or Partnership Voluntary Arrangement
- Administrator under the Insolvent Estates Order

Staff Charge-Out Rates

Unless they are otherwise fixed in accordance with the Insolvency Act 1986, an Offices Holders fees are charged by reference to time costs, as incurred, charged at the firms usual rates applicable at the time the work is carried out Rates may be varied from time to time, at the sole discretion of Bretts Business Recovery Ltd and such changes will be notified in retrospect with each report to Creditors Staff time is charged in units of six minutes and as from 1st December 2012 the maximum rates applicable are

GRADE	HOURLY RATE FROM 1st December 2012
	£
Partner	300
Senior Manager	250
Manager	225
Senior Administrator (Grade 1)	200
Senior Administrator (Grade 2)	175
Administrator (Grade 1)	150
Administrator (Grade 2)	125
Administrator (Grade 3)	90

Expenses and Disbursements

Category 1 - expenses and disbursements relate to specific expenditure to an independent third party for which an invoice will normally be payable Examples of such include company searches, postage, storage costs, advertising, courier costs, external room hire etc Category 1 expenses and disbursements are recoverable in full without the need for creditor approval

Category 2 - expenses and disbursements for which there will be no third party invoice may include shared or allocated costs Examples of these include stationery, photocopying, faxes, room hire etc Category 2 expenses and disbursements are recoverable in full with the approval of creditors subject to the basis of the charges being disclosed The basis of these charges is set out below

Photocopying	10p per sheet
Facsimile	10p per facsimile
BBR Meeting Room Hire	£100
Travel / Mileage	45p per mile