

# Liquidator's Progress Report

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

# S. 192

To the Registrar of Companies

Company Number

03303269

Name of Company

(a) Insert full name of company

(a) **Lowe Engineering (Midland)**

Limited

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

I (b) **Timothy John Hargreaves  
T H Associates  
5 Talbot Road  
Leyland  
Lancashire  
PR5 6AP**

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 **14<sup>th</sup> April 2011** to the **13<sup>th</sup> April 2012**

THURSDAY



Signed *TH Hargreaves*

Date 13/6/12

Presenter's name address and reference (if any)

**IN THE MATTER OF THE INSOLVENCY ACT 1986  
AND IN THE MATTER OF  
LOWE ENGINEERING (MIDLAND) LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
LIQUIDATOR'S 1<sup>ST</sup> PROGRESS REPORT  
FOR THE PERIOD 14<sup>TH</sup> APRIL 2011 TO THE 13<sup>TH</sup> APRIL 2012**

**This is my 1st progress report regarding the above company pursuant to r.4.49C IR86**

**CASE DETAILS**

Company name & Trading Name,	<b>Lowe Engineering (Midland) Limited</b>
Previous Name/s.	<b>None Known</b>
Company number,	<b>03303269</b>
Registered Office Whilst Trading & Traded From,	<b>Bramshall Industrial Estate, Stone Road, Bramshall, Uttoxeter, Staffordshire, ST14 8SH</b>
Liquidator,	<b>Timothy John Hargreaves</b>
Date of Appointment,	<b>14<sup>th</sup> April 2011</b>
Insolvency Practitioners Licence Number;	<b>8637</b>
Registered office & Liquidator s address,	<b>Chandler House, 5 Talbot Road, Leyland, Lancashire, PR25 2ZF</b>
Contact Details.	<b>Sam Dougherty - 01772 641146 <u><a href="mailto:Sam.dougherty@THA-corporaterecovery.co.uk">Sam.dougherty@THA-corporaterecovery.co.uk</a></u></b>

## RECEIPTS AND PAYMENTS

	Statement of Affairs £	14 <sup>th</sup> April 2011 to the 13 <sup>th</sup> April 2012 £
<b>Receipts</b>		
Book Debts	81,000 00	28,628 28
Stock	3,000 00	2,500 00
Bank Interest		5 79
Bank Refund		23 00
VAT Payable		500 00
Contribution to Cost		<u>3,000 00</u>
<b>Total</b>	<b>84,000.00</b>	<b>34,657.07</b>
 <b>Payments</b>		
Statement of Affairs Fee		5,000 00
Liquidators Fee		12,900 00
Disbursements –		
Statutory Advertising		226 80
Storage		220 68
Mail Divert		81 60
Input VAT		<u>3,669 50</u>
<b>Total</b>		<b>22,098.58</b>
 <b>Balance</b>		 <b>12,558.49</b>

## ASSET REALISATIONS

### Book Debts

The Statement of Affairs showed that Book Debts had a book value of £119,982 00 and due to the impending Liquidation and after write off was taken into consideration an estimated to realise figure of £81,000 00 was used for the purposes of the Statement of Affairs

During this reporting period the sum of £28,628 28 has been received in relation to the said book debts as per my Receipts & Payments Account

The remaining collectable book debts as at today's date now total £53,535.56 however due to retentions this figure may vary due to a number of issues which could influence the final total collected

The outstanding balance of £53,535.56 relates to retentions held by customers against the costs of any necessary remedial works. Payment of these accounts are affected by a) the time frames stipulated in the contracts which set out when payment of retentions is due and b) discussions as to who will carry out any necessary works given that the Lowe Engineering (Midlands) Limited is not in a position to do so.

It should be noted that one of the associated companies, Lowe Engineering (Steel Construction) Limited will undertake the responsibility for any remedial works and that customers have been contacted with a view to a) gaining approval for Lowe Engineering (Steel Construction) Limited to carry out such works and b) achieving release of the monies held.

Should agreement not be forthcoming, I intend to instruct a debt recovery firm specialising in the construction industry. However due to the retentions this would not necessarily improve the collection timescale.

#### **Stock**

The Stock which was estimated to realise £3,000.00 as per the Statement of Affairs, was sold to Lowe Engineering (Steel Construction) Limited, an associated company in which the director, Mr Neil Lowe was also a director of Lowe Engineering (Midland) Limited. The sum of £3,000.00 plus VAT was received for the said stock on the day following the appointment of the Liquidator.

### **CREDITOR CLAIMS**

#### **Debenture Holder**

Barclays Bank has a debenture over the company assets, the amounts due being £55,181.80 (overdraft) and £86,692 (loan). It should be noted that the loan amount was guaranteed under the terms of an Enterprise Loan Guarantee, and that the Bank also holds a Personal Guarantee from Mr and Mrs Lowe.

#### **Preferential Creditors**

The Redundancy Payments Office received claims from the employees of Lowe Engineering (Midland) Limited regarding arrears of pay and holiday pay. The sum of £723.98 was paid to them and therefore the preferential claim within these proceedings is for £723.98.

#### **Non-Preferential Creditors**

The Redundancy Payments Office have also submitted a Proof of Debt non preferentially totalling £2,418.99 with regards to outstanding notice pay and redundancy pay.

I have received a non-preferential claim from HM Customs & Excise for £1,459.49 for unpaid VAT.

Inland Revenue have submitted a claim totalling £325,421.02 non-preferentially for outstanding tax.

I am in receipt of 32 Proofs of Debt from trade creditors totalling £263,645.12.

The director, Mr Neil Lowe together with Mrs Lowe, (his wife and fellow shareholder), have submitted a Proof of Debt regarding their directors loan account for £78,054 00

**There will be no dividend paid to any class of creditor within this case at this stage.**

## **COSTS**

In accordance with the resolutions passed at the meeting of creditors held on the 14<sup>th</sup> April 2011, my fees are based on a time cost basis. Total hours spent on this case during the period covered in this report are 140 80 hours with a total charge out value of £16,813 50, equating to an average rate of £119 41 per hour

You will note that expenses of £529 08 have been paid within this reporting period, this amount relates to statutory advertising, mail divert and storage costs as per the receipts and payments account in this report

There are outstanding disbursements totalling £842 08 which are as follows,

Room Hire	91 67
Mileage	235 60
Postage	87 61
Bonding	400 00

To date I have drawn £12,900 00 Liquidators remuneration as per the receipts and payments account and I have attached a SIP 9 report which shows you the breakdown of time spent on this case within this reporting period

## **CREDITOR RIGHTS**

Any secured creditor, unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 21 days of the receipt of this report make a request in writing to me for further information about the remuneration or expenses incurred within this period

In addition to the above, any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 8 weeks of receipt of this report make an application to Court on the grounds that the basis fixed for the Liquidator's remuneration is inappropriate, or the remuneration charged or the expenses incurred by the Liquidator are excessive within this case.

## **INVESTIGATIONS AND LEGAL ACTIONS**

I have submitted my statutory report on the conduct of the director in this matter to the Insolvency Service

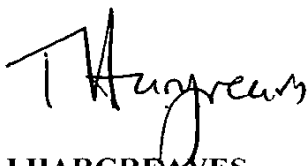
As Office Holder it was my duty to carry out an initial assessment as to whether any further investigations or action would need to be considered with a view to a possible outcome which could lead to any recoveries for the estate and to consider if any further investigations may be appropriate

At present further investigations have not been concluded

## **CONCLUSION**

As noted in "Asset Realisations" above, I am still pursuing outstanding book debts

I trust that you will find this report of assistance



**T J HARGREAVES**  
**Liquidator**

**Dated this 13<sup>th</sup> day of June 2012**

**LOWE ENGINEERING (MIDLAND) LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
SIP 9**

**Time & Chargeout Summary**

**From the 14<sup>th</sup> April 2011 to the 13<sup>th</sup> April 2012**

<b>HOURS</b>							
Classification Of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Admin & Planning	13 80	37 00	5 10	14 90	70 80	8,374 50	118 28
Investigations	1 90	6 40	1 10	0 00	9 40	1 228 00	130 64
Realisation of Assets	6 70	14 30	8 50	0 00	29 50	3,754 00	127 25
Creditors	2 50	13 60	15 00	0 00	31 10	3,457 00	111 16
<b>Total Fees Claimed £</b>	<b>4 731 00</b>	<b>8 556 00</b>	<b>2,673 00</b>	<b>853 50</b>		<b>16,813 50</b>	
<b>Total Hours</b>	<b>24 90</b>	<b>71 30</b>	<b>29 70</b>	<b>14 90</b>	<b>140 80</b>		
<b>Average rate</b>	<b>190 00</b>	<b>120 00</b>	<b>90 00</b>	<b>57 28</b>			