

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

05046490

Name of Company

M Curtis Limited

I / We

Rob Sadler
9th Floor
Bond Court
Leeds
LS1 2JZ

Andrew Mackenzie
9th Floor
Bond Court
Leeds
LS1 2JZ

the liquidator(s) of the company attach a copy of my/our Progress Report under section 192 of the Insolvency Act 1986

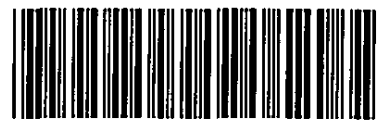
The Progress Report covers the period from 11/07/2012 to 10/07/2013

Signed *[Signature]* Date 25 7 2013

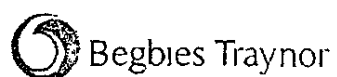
Begbies Traynor (Central) LLP
9th Floor
Bond Court
Leeds
LS1 2JZ

Ref MC030CVL/RS/AGM/LL/JOG/CP/DH

WEDNESDAY



A2EADRGW
A02 07/08/2013 #275
COMPANIES HOUSE



Begbies Traynor

M Curtis Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986

Period: 11 July 2012 to 10 July 2013

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- Interpretation
- Company information
- Details of appointment of liquidators
- Progress during the period
- Estimated outcome for creditors
- Remuneration and disbursements
- Liquidators' expenses
- Assets that remain to be realised
- Other relevant information
- Creditors' rights
- Conclusion
- Appendices
 - 1 Liquidators' account of receipts and payments
 - 2 Liquidators' time costs and disbursements
 - 3 Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	M Curtis Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 11 July 2011
"the liquidators", "we", "our" and "us"	Rob Sadler of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ and Andrew Mackenzie of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2 COMPANY INFORMATION

Trading name	Curtis Heavy Haulage
Company registered number	05046490
Company registered office	9th Floor, Bond Court, Leeds, LS1 2JZ
Former trading address	23 Hoylake Road, Scunthorpe, South Humberside, DN17 2AZ

3 DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	11 July 2011
Date of liquidators' appointment	11 July 2011

4 PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 11 July 2012 to 10 July 2013 and cumulative for the period 11 July 2011 to 10 July 2013

Since the date of our last report the following receipts and payments have been accounted for in the liquidation

RECEIPTS

Bank Interest

Bank interest in the sum of £48 has accrued on the liquidation account held with National Westminster Bank Plc

Bond Refund

A refund of £210 was received in relation to the Joint Liquidators' bonding insurance

PAYMENTS

Liquidators' Expenses

Since the date of my last report the only payment made has been the settlement of outstanding Liquidators' disbursements in the sum of £215

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators

Secured creditor

The secured creditors in this matter are as follows

Royal Bank of Scotland Invoice Finance ("RBSIF")

The Company's book debt ledger was factored with RBSIF who held a fixed and floating charge debenture created on 21 July 2006 and registered at Companies House on 22 July 2006. The total amount outstanding to RBSIF as at the date of appointment was £186,900

National Westminster Bank Plc ("Natwest")

Natwest's security consists of a fixed and floating charge debenture created on 1 June 2007 and registered at Companies House on 6 June 2007. The total sum of £44,369 was due to Natwest as at the date of appointment

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay are estimated at £16,477

Unsecured creditors

Unsecured creditors were estimated at £694,027

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

Secured creditor

RBSIF

Following collection of the Company's factored book debt ledger RBSIF have been repaid in full

Natwest

A distribution in the sum of £44,369 has been paid to Natwest in accordance with the security held by them

Preferential creditors

We consider that there will be sufficient funds for a dividend to be paid to preferential creditors

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- 50% of the first £10,000 of net property,
- 20% of net property thereafter,
- Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be £59,210 and the prescribed part of the Company's net property to be £14,842

Unsecured creditors

We consider that a distribution will be made to unsecured creditors of the Company from the Prescribed Part pursuant to Section 176A of the Act, however the timing of the distribution cannot yet be confirmed

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 11 July 2011 to 10 July 2013 amount to £30,466 which represents 153 20 hours at an average rate of £198 86 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- Narrative summary of time costs incurred,
- Table of time spent and charge-out value for the period 11 July 2011 to 10 July 2013,
- Begbies Traynor (Central) LLP's policy for re-charging disbursements, and
- Begbies Traynor (Central) LLP's charge-out rates

To 10 July 2013, we have drawn the total sum of £10,000 plus disbursements of £499 14 on account

In addition, we have also drawn the sum of £5,000 in respect of our fee for the preparation of the Company's Statement of Affairs

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

8 ASSETS THAT REMAIN TO BE REALISED

Director's Loan Account

As previously reported, the Company director, Mr Mark Curtis, had an outstanding director's loan account balance in the sum of £129,331 as at the date of appointment. However, as creditors are aware, the director entered into a voluntary arrangement on 30 December 2011 due to his personal financial position. The arrangement provides for a distribution of 20p in the £ to creditors and we anticipate a future realisation in the sum of £25,866 in respect of the director's loan account.

We have recently been provided with an update from the Supervisor of the director's IVA and can confirm that the distribution will be paid shortly. Following receipt of the same we will be in a position to enable a distribution to be made to creditors.

There are no further assets which remain to be realised.

9 OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated prior to the meeting of creditors convened pursuant to Section 98 of the Act, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect. However, our investigations have not identified any matters which will benefit the liquidation estate.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

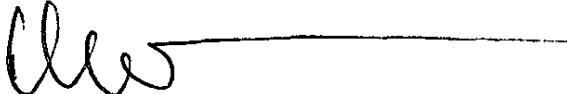
Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

11. CONCLUSION

As detailed in section eight of this report we are awaiting a distribution from the director's voluntary arrangement in respect of the outstanding director's loan account

We will report again in approximately twelve months' time or at the conclusion of the liquidation, whichever is the sooner

A handwritten signature in black ink, appearing to read 'Rob Sadler', followed by a long horizontal line extending to the right.

ROB SADLER
Joint Liquidator

Dated 25 July 2013

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 11 July 2011 to 10 July 2013

	From 11/07/2012 to 10/07/2013 £	From 11/07/2011 to 10/07/2013 £
ASSETS SUBJECT TO FIXED CHARGE		
Trucks and trailers	-	105,000 00
<i>Less Bank of Ireland</i>	-	<i>(54,413 00)</i>
	<hr/>	<hr/>
Trucks and trailers	-	40,000 00
<i>Less Barclays Asset Finance</i>	-	<i>(21,239 40)</i>
	<hr/>	<hr/>
Trucks and trailers	-	70,000 00
<i>Less Santander</i>	-	<i>(64,986 00)</i>
	<hr/>	<hr/>
Fixed charge surplus	<hr/>	<hr/>
	-	74,361 60
ASSETS SUBJECT TO FLOATING CHARGE		
Book debts	-	3,672 63
Trucks and trailers	-	21,000 00
Bond Refund	210 00	210 00
Bank interest gross	48 43	99 63
	<hr/>	<hr/>
	258 43	24,982 26
COST OF REALISATIONS		
Specific bond	-	210 00
Statement of affairs fee	-	5,000 00
Liquidators' fees	-	10,000 00
Liquidators' expenses	214 85	499 14
Agents fees	-	18,500 00
Re-direction of mail	-	51 97
Statutory advertising	-	306 00
Insurance of assets	-	735 11
Bank charges	-	15 00
	<hr/>	<hr/>
	(214 85)	(35,317 22)
FLOATING CHARGE CREDITORS		
Distribution to floating charge creditor	-	(44,368 51)
	<hr/>	<hr/>
Floating charge balance	43 58	(54,703 47)
	<hr/>	<hr/>
Total	<hr/>	<hr/>
	43 58	19,658 13
REPRESENTED BY		
Bank account		19,615 16
VAT Receivable		42 97
		<hr/>
		19,658 13

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 11 July 2011 to 10 July 2013

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	M Curtis Limited
CASE TYPE	Creditors' Voluntary Liquidation
OFFICE HOLDERS	Rob Sadler and Andrew Mackenzie
DATE OF APPOINTMENT	11 July 2011

1 CASE OVERVIEW

- 1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case
- 1.2 **Complexity of the case**
The main complexity of this case has been the realisation of the Company's motor vehicles, namely liaising with our agents and the finance companies to identify the assets suitable for sale or repossession and arranging for the same to be implemented
- 1.3 **Exceptional responsibilities**
There have been no exceptional responsibilities in respect of this matter
- 1.4 **The office holders' effectiveness**
The office holders' strategy was to realise the Company's main assets, being motor vehicles, in order to enable a distribution to be made to creditors. This purpose has been achieved with sale of the Company's motor vehicles and the subsequent distributions to both the finance companies and secured creditors
- 1.5 **Nature and value of property dealt with by the office holders**
The main assets dealt with by the liquidators have been the Company's motor vehicles and trailers, which were appraised and sold by their agents, Sanderson Weatherall
- 1.6 **Anticipated return to creditors**
Distributions of 100p in the £ have been made to the secured creditors of the Company

We anticipate a return of 100p in the £ to the preferential creditors of the Company

We anticipate making a distribution to the unsecured creditors of the Company from the prescribed part, however the quantum and timing of the distribution is currently unknown
- 1.7 **Time costs analysis**
An analysis of time costs incurred between 11 July 2011 and 10 July 2013 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only

1 8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting

1 9 The views of the creditors

Creditors were circulated with a copy of the Section 98 report presented at the initial meeting of creditors and were invited to attend the meeting and bring to the liquidators' attention any matters they felt would assist in the liquidators' investigations into the Company's affairs. Creditors have also been provided with a copy of the Joint Liquidators' previous progress report dated 14 August 2012

1 10 Approval of fees

The liquidators' fees were approved by creditors at the initial meeting of creditors held on 11 July 2011

1 11 Approval of Expenses and Disbursements

The liquidators were granted approval to draw disbursements, including category 2 disbursements, at the initial meeting of creditors held on 11 July 2011

1 12 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage -- 45p per mile	49 50
TOTAL	49 50

1 13 Other professionals employed & their costs

Sanderson Weatherall were engaged to act as agents in respect of this matter and were remunerated on a time costs basis

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2

3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

3 1 Since the date of our last report, the following work has been carried out

- Dealing with creditor queries and correspondence, and
- Liaising with Evolution Business Recovery Services Limited regarding the director's IVA and the distribution due to be received in respect of the same

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear in Appendix 3.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed in Appendix 3.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 expenses (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 expense*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

² Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leeds Bond Court office as at the date of this report are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	110

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £
Administration and Planning	3.3			2.9			2.0	3.9		12.10	2,771.00	229.01
		0.6		2.9			8.1	27.5	8.0	47.10	5,974.00	126.84
				23.9			4.5			28.40	6,941.00	244.40
Investigations				1.5				8.5		10.00	1,332.50	133.25
	3.1	0.2		7.3			1.0			11.60	3,363.00	289.91
Realisation of assets	6.6			10.6						17.20	5,416.00	314.88
								0.7		0.70	77.00	110.00
Trading												
Creditors				1.5						1.50	397.50	265.00
				9.6				6.4		16.00	3,248.00	203.00
Other matters												
								3.0		3.00	330.00	110.00
								5.6		5.60	616.00	110.00
				60.2			15.6	55.6	8.0	153.2		
Total hours by staff grade	13.0	0.8										
Total time cost by staff grade £	5,135.00	276.00		15,953.00			2,105.00	6,116.00	880.00		30,466.00	
Average hourly rate £	395.00	345.00		265.00			135.00	110.00	110.00			198.86
Total fees drawn to date £											10,000.00	

STATEMENT OF LIQUIDATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Agent's fees	Sanderson Weatherall	18,500 00	18,500 00	Nil
Statutory advertising	Courts Advertising	306 00	306 00	Nil
Storage	Archive Solutions Ltd	93 79	6 79	87 00
Bond	Willis Limited	210 00	210 00	Nil
Company Searches	Companies House	1 00	1 00	Nil
Mileage	Begbies Traynor	49 50	49 50	Nil