

The Insolvency Act 1986

Liquidator's Progress Report

S. 192

Pursuant to section 192 of the Insolvency Act 1986

To the Registrar of Companies

For official use

Three empty boxes for official use.

Company Number

03171953

Name of Company

(a) Insert full name of company

(a) DISARMCO LIMITED Limited

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

I Nicholas Barnett MIPA MABRP of Libertas Associates Limited, Profex House, 25-27 School Lane, Bushey, Hertfordshire, WD23 1SS

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

Signed

Handwritten signature of Nicholas Barnett

Date 16 November 2011

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

Nicholas Barnett
Libertas Associates Limited
Profex House
25-27 School Lane
Bushey
Hertfordshire
WD23 1SS

Barcode area containing 'FRIDAY', 'A19', '18/11/2011', '35', and 'COMPANIES HOUSE'.

**DISARMCO LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION**

**ANNUAL REPORT**

**16 November 2011**

**CONTENTS**

- 1 Introduction
- 2 Background
- 3 Asset realisations
- 4 Investigations
- 5 Creditors' claims
- 6 Dividend prospects
- 7 Costs and expenses
- 8 Conclusion

**APPENDICES**

- 1 Receipts and payments account
- 2 Analysis of time costs
- 3 Additional creditor information

## 1. INTRODUCTION

The purpose of this report is to detail my acts and dealing as Liquidator and it should be read in conjunction with my previous correspondence to Creditors

## 2. BACKGROUND

Disarmco Limited (In Liquidation), ("the Company")

Registered office C/o Libertas, Profex House, 25-27 School Lane, Bushey, Hertfordshire, WD23 1SS

Registered Number 03171953

Other trading names N/A

## APPOINTMENT DETAILS

Nicholas Barnett was appointed Liquidator of Disarmco Limited on the 5 November 2010

The members' and creditors' meetings were held on 5 November 2010, when Mr Barnett was appointed Liquidator of the company

The Company's principal activity was to provide products and the solutions for the disposal of unwanted munitions

The Company's failure is attributable to the equipment/products utilised by the Company becoming obsolete and the resultant failure to secure further contracts

## 3. ASSET REALISATIONS

The Liquidators Receipts and Payment account for the period 5 November 2010 to 4 November 2011 is attached at Appendix 1

According to the Statement of Affairs lodged in these proceedings, the assets of the Company had an estimated value of £4,935, which comprised principally of Cash at Bank in the sum of £1,566 26 and Cash in Hand of £3,368 74

### Assets

The Liquidator can confirm that the realisations received in respect of Cash at Bank and Cash in Hand were in line with the figures stated in the Statement of Affairs

Furthermore, the Liquidator is pleased to be able to report that he has managed to secure a buyer for the purchase of goodwill and intellectual property. These assets are being sold to an independent third party for the sum of £1,350 plus legal costs. This sale is due to complete in the near future. As creditors will note, the Liquidator is holding on to the sum of £600 which represents a deposit from that third party covering the expected legal fees in relation to this transaction

**Payments**

In accordance with the resolution passed at the Meeting of Creditors held on 5 November 2010, the Liquidator has made payment of the pre-appointment fees of Libertas Associates Limited in the sum of £4,200 plus VAT

**4. INVESTIGATION**

The Liquidator can confirm that he has complied with his statutory and best practice obligations in accordance with the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice No's 2 and 4. Accordingly, a directors' conduct report was submitted to the Insolvency Service on 2 May 2011. The contents of that report are confidential in nature, and therefore cannot be disclosed to creditors.

**5. CREDITORS CLAIMS**

The trade and expense creditors, as per the statement of affairs totalled £85,261.09. To date the Liquidator has received unsecured claims totalling £163,262.10. Please be advised that the Liquidator does not propose to adjudicate on creditor claims unless sufficient funds are realised to facilitate payment of a distribution to creditors.

**6. DIVIDEND PROSPECTS**

**Dividend in Relation to the Prescribed Part**

Under the provisions of Section 176A of the Insolvency Act 1986, 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. No such charge has been granted, and therefore the prescribed part will not apply.

**Preferential creditors**

The Liquidator has yet to receive any preferential claims.

**Unsecured creditors**

As stated previously, the Liquidator does not propose to adjudicate on unsecured creditor claims unless sufficient funds are realised to facilitate payment of a distribution to creditors. From information currently available the Liquidator does not expect that a distribution will be paid.

**7. COSTS AND EXPENSES**

**Liquidators' Remuneration**

The Liquidator's remuneration is to be drawn in accordance with Insolvency Rules 1986 S4 127(2)(b) on a time cost basis in relation to this assignment, as authorised by creditors at the Meeting held on the 5 November 2010 in accordance with the following resolution:

"That the Liquidator's remuneration be based on time spent by the Liquidator and his staff in attending to matters arising in the Liquidation to be drawn on account without further reference to creditors. An additional charge be rendered for all necessary disbursements."

To date, the Liquidator has not drawn any fees in this matter as he has yet to realise sufficient assets to pay these

#### **Summary of Costs**

The Liquidator's time costs for the period 5 November 2010 to 4 November 2011 totals £2,918.00 representing 16.50 hours at an average hourly rate of £176.85. A schedule providing a detailed break-down of these time costs is available from the client login section of our website.

Creditors have the right to request further information under Rule 4.49E of the Insolvency Rules 1986, or alternatively challenge the liquidator's remuneration and/or expenses under Rule 4.131 of the Insolvency Rules 1986. Please see Appendix 3 for further information.

#### **Liquidator's Disbursements**

The Liquidator's category 1 disbursements for the period 5 November 2010 to 4 November 2011 total £169.34 and consist of the Liquidator's Bond (£60.00) and statutory advertising (£109.34 inclusive of VAT). The Liquidator's firm has paid these costs. The Liquidator is entitled to repay Libertas Associates Limited should sufficient funds be realised to do so.

In accordance with this firm's policy, the Liquidator does not charge category 2 disbursements.

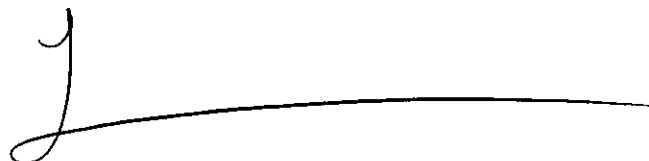
#### **Other professional Costs**

It has not proved necessary at this stage to engage any third party in respect of professional advice, save for the instruction of solicitors to prepare a sale agreement in respect of the sale of goodwill and intellectual property.

### **9. CONCLUSION**

I shall be continuing my administration of the liquidation and hope to finalise the sale of the goodwill and intellectual property in the next few weeks which is the sole issue that is preventing this case from being closed.

If you require any further information please contact Stuart Cottingham at this office.




**Nicholas Barnett MIPA MABRP**  
Liquidator

Appendix 1

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

From 05 November 2010 To 04 November 2011

S of A £		£	£
<b>ASSET REALISATIONS</b>			
1,566 26	Cash at Bank	1,566 26	
	Bank Interest Gross	3 49	
	Deposit for Costs	600 00	
3,368 74	Cash in Hand	3,368 74	
		<hr/>	5,538 49
<b>COST OF REALISATIONS</b>			
	Statement of Affairs Fee	4,200 00	
		<hr/>	(4,200 00)
<b>UNSECURED CREDITORS</b>			
(62,440 07)	Trade Creditor	NIL	
(22,821 02)	Directors	NIL	
		<hr/>	NIL
(85,261 09)			<hr/> 1,338 49
<b>REPRESENTED BY</b>			
	Vat Receivable	735 00	
	Balance at Bank	603 49	
		<hr/>	<hr/> 1,338 49
			
		<hr/>	
		<b>Nicholas Barnett</b>	
		<b>Liquidator</b>	

## Appendix 2

### Disarmco, Limited – In Liquidation

Liquidator's Remuneration Schedule for the period 5 November 2010 and 4 November 2011

Hours							
Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	0.90	0.00	1.80	0.00	2.70	518.50	192.04
Investigations	1.90	0.00	5.10	0.00	7.00	1,316.00	188.00
Realisation of Assets	0.80	0.00	0.00	0.00	0.80	232.00	290.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.60	0.00	4.50	0.90	6.00	851.50	141.92
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total hours</b>	<b>4.20</b>	<b>0.00</b>	<b>11.40</b>	<b>0.90</b>	<b>16.50</b>		
<b>Time costs</b>	<b>1,218.00</b>	<b>0.00</b>	<b>1,655.00</b>	<b>45.00</b>	<b>2,918.00</b>		
<b>Average hourly rate</b>	<b>290.00</b>	<b>0.00</b>	<b>145.18</b>	<b>50.00</b>	<b>176.85</b>		

Expenses		
Description	Total Incurred £	Total Recovered £
Liquidator's Bond	60.00	0.00
Statutory Advertising	109.34	0.00
<b>Totals</b>	<b>169.34</b>	<b>0.00</b>

Summary of Liquidator's Fees		
Total time spent in administering the Liquidation	Hours	16.50
Total value of time spent	£	2,918.00
Total fees charged by Liquidator to date	£	0.00

### Appendix 3

#### 4.49E Creditors' and members' request for further information

(1) If-

- (a) within the period mentioned in paragraph (2)-
  - (i) a secured creditor, or
  - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
- (b) with the permission of the court upon an application made within the period mentioned in paragraph (2)-
  - (i) any unsecured creditor, or
  - (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

(2) The period referred to in paragraph (1)(a) and (b) is-

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

(3) The liquidator complies with this paragraph by either-

- (a) providing all of the information asked for, or
- (b) so far as the liquidator considers that—
  - (i) the time or cost of preparation of the information would be excessive, or
  - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
  - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

(4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of-

- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just



(6) This Rule does not apply where the liquidator is the official receiver

**4.131.-Creditors' claim that remuneration is [or other expenses are] excessive**

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that-

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders-

(a) an order reducing the amount of remuneration which the liquidator was entitled to charge,

(b) an order fixing the basis of remuneration at a reduced rate or amount,

(c) an order changing the basis of remuneration,

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,

(e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court

may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation