

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

05740894

Name of Company

MDS Limited

I / We

Jason Allan Grocock, Rutland House, 23-25 Friar Lane, Leicester, LE1 5QQ

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

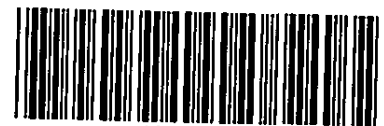
The Progress Report covers the period from 20/03/2014 to 19/03/2015

Signed *JAG* Date 15/5/2015

G2 Insolvency Ltd
Rutland House
23-25 Friar Lane
Leicester
LE1 5QQ

Ref M2007/JG/VE

SATURDAY



A06 *A47JIF76* 16/05/2015 #159
COMPANIES HOUSE

**MDS Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

| Statement of Affairs | From 20/03/2014 To 19/03/2015 | From 20/03/2013 To 19/03/2015 |
|---------------------------------------|----------------------------------|----------------------------------|
| 6,000 00 | | |
| SECURED ASSETS | | |
| Plant, Equipment, Furniture & Vehicle | NIL | NIL |
| | NIL | NIL |
| (111,012 66) | | |
| SECURED CREDITORS | | |
| James Robinson Fibres Ltd | NIL | NIL |
| | NIL | NIL |
| 1,500 00 | | |
| ASSET REALISATIONS | | |
| Book Debts | NIL | 20 16 |
| | NIL | 20 16 |
| | | |
| COST OF REALISATIONS | | |
| Storage Costs | 4 20 | 4 20 |
| | (4 20) | (4 20) |
| (48,768 30) | | |
| UNSECURED CREDITORS | | |
| Trade & Expense Creditors | NIL | NIL |
| (15,250 00) | NIL | NIL |
| HM Revenue & Customs (PAYE/NIC) | NIL | NIL |
| (38,000 00) | NIL | NIL |
| HM Revenue & Customs (VAT) | NIL | NIL |
| | | |
| (10,000 00) | | |
| DISTRIBUTIONS | | |
| Ordinary Shareholders | NIL | NIL |
| | NIL | NIL |
| (215,530 96) | (4.20) | 15.96 |
| REPRESENTED BY | | |
| Vat Receivable | | 0 84 |
| Floating Charge Account | | 15 12 |
| | | 15.96 |


Jason Allan Grocock
Liquidator

Our ref JG/VE/M2007/1
Your ref

15 May 2015



Insolvency

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Leicester LE1 5QQ England
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TO ALL MEMBERS AND KNOWN CREDITORS

Dear Sirs

MDS Limited – In Creditors' Voluntary Liquidation ("the company")

Progress Report

In accordance with the provisions of the Insolvency Act 1986, please find attached my report to creditors on the second year of the liquidation, from 20 March 2014 to 19 March 2015

Further Information

An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of 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 within the same time limit.

Any unsecured creditor may, with the permission of the Court or with 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 eight weeks of receipt of this report. Any secured creditor may make a similar application to Court within the same time limit.

If you have any queries regarding the attached report, or the conduct of the liquidation in general, please do not hesitate to contact this office.

Yours faithfully
For MDS Limited

**Jason Grocock
Liquidator**

Email jason.grocock@g2-i.co.uk
victoria.ely@g2-i.co.uk

Enc Progress Report

DIRECTOR
Jason Grocock FCCA FABRP

MDS Limited – in Creditors' Voluntary Liquidation ("the company")

Progress Report for the period 20 March 2014 to 19 March 2015

15 May 2015

Liquidator: Jason Allan Grocock of G2 Insolvency Limited,
Rutland House, 23-25 Friar Lane, Leicester, LE1 5QQ

Date of Appointment: 20 March 2013

Company No: 05740894

Registered Office: Rutland House, 23-25 Friar Lane, Leicester, LE1 5QQ

Former Registered Office: Unit 4, G K Davies Industrial Estate, Hayes Lane, Stourbridge, West
Midlands, DY9 8QX

Former Trading Address: Unit 4, G K Davies Industrial Estate, Hayes Lane, Stourbridge, West
Midlands, DY9 8QX

VAT Registration No: 887 4345 75

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1. INTRODUCTION

- 1 1 The purpose of this report is to detail the Liquidator's acts and dealings, together with the conduct of the Liquidation for the period 20 March 2014 to 19 March 2015 ("the reporting period").

2. PROGRESSION OF THE LIQUIDATION

- 2 1 I refer to the previous Progress Report, no further assets were identified by the Liquidator during the reporting period or have been identified since the end of the reporting period
- 2 2 There were no realisations during the reporting period or have been since the end of the reporting period In addition, no further realisations are expected
- 2 3 Certain aspects of the case remain ongoing, as highlighted in Sections 3 and 5 of the report, below Once completed, the Liquidation will proceed to a conclusion

3. INVESTIGATIONS

- 3 1 Initial investigations were made into the company's affairs to establish whether there were any conduct matters that required further investigation and/or any potential asset recoveries When considering whether there were any matters that justified further investigation the Liquidator took into account public interest, potential recoveries, the availability of funding for the investigation and the associated costs of the investigation
- 3 2 There are a number of issues regarding payments from the company's bank account where investigations have not been concluded one way or the other and further information is being sought in order to confirm whether there are grounds for further investigation
- 3 3 Within six months of appointment, the Liquidator is required to submit a confidential report to the Secretary of State to include any matters that have come to their attention during the course of their work, which may indicate that the conduct of any past or present director would make him/her unfit to be concerned with the management of the company I can confirm that the Liquidator's report has been submitted

4. RECEIPTS AND PAYMENTS ACCOUNT

- 4 1 A copy of the Liquidator's receipts and payments account for the reporting period is attached at Appendix A Also attached is the Liquidator's Receipts and Payments Account for the whole of the liquidation, from its commencement on 20 March 2013 to the date of this report
- 4 2 There have been no significant changes to the receipts and payments account since the end of the reporting period
- 4 3 The company was previously registered for VAT All receipts and payments are recorded net of VAT, with any amounts due to/from H M Revenue & Customs at the date of the Account are included separately

5. REALISATION OF ASSETS

| Description | Statement of Affairs Estimate (£) | Realisations in period (£) | Write-offs in period (£) | Assets still to be realised (£) |
|-------------|-----------------------------------|----------------------------|--------------------------|---------------------------------|
| Book Debts | 1,500 00 | Nil | Nil | 1,479 84 |

5.1 Book Debts

As detailed in the previous Progress Report, the Statement of Affairs shows that at the date of liquidation the company's debtors had a Book Value of £19,000 00 and after consultation with the company's director a significant provision was made in respect of bad and doubtful debts

Attempts to make further recoveries in respect of the Book Debts are continuing, however due to a lack of information at present the final outcome is currently unknown

Other Receipts

5.2 No other funds were received either during the reporting period or after the end of the reporting period

6. SIP13 DISCLOSURE

6.1 I am required, in accordance with Statement of Insolvency Practice 13 ("SIP13"), to disclose to creditors the details of any asset sold by the Liquidator to connected parties

6.2 I can confirm that, to date, there have been no such sales to connected parties during the liquidation

6.3 I am also required to disclose at the first meeting of creditors any transactions, other than those in the ordinary course of business, with connected parties during a period of one year prior to my appointment, pursuant to SIP 13

6.4 No such transactions were reported at that meeting, or have come to my attention to date in the course of my work during the Liquidation

7. CREDITORS

Secured creditors

7.1 A Debenture (a fixed and floating charge over all of the company's assets) in favour of James Robinson Fibres Limited ("JRF") was created in 15 July 2011 and registered at Companies House on 20 July 2011

7.2 The Statement of Affairs shows a balance of £111,012 66 due to JRF at the start of the Liquidation. A claim in the amount of £111,012 66 was received from JRF prior to the liquidation, but no further/amended claim has been received since.

Preferential creditors

- 7.3 The Statement of Affairs does not list any preferential creditors, certain claims for former employees of the company were received and considered by the Redundancy Payments Office. An update of the position is being sought. At present, no preferential claims have been lodged.

Crown creditors

- 7.4 The Statement of Affairs included a total of £53,250.00 due to HM Revenue & Customs ("HMRC") in respect of VAT, PAYE and NIC. The most recent claims received from HMRC total £82,489.29.
- 7.5 As there is currently no prospect of a distribution to HMRC (see section 8.7, below) an analysis of the difference between the two amounts given above has not been made.

Unsecured non-preferential creditors

- 7.6 The Director's Estimated Statement of Affairs indicated unsecured, non-preferential claims totalling £102,018.30, including a claim of £53,250.00 made by HM Revenue & Customs.
- 7.7 To date, I have received claims totalling £257,137.16.

8. DIVIDENDS

Secured (fixed charge) creditors

- 8.1 The only return to JRF would be on the disposal of the assets recovered. To date no recoveries have been achieved.

Prescribed Part

- 8.2 Pursuant to Section 176A of the Insolvency Act 1986, where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured, non-preferential creditors.

- 8.3 Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.

- 8.4 The prescribed part is calculated as a percentage of net property, as follows:

| | |
|-----------------------------------|--|
| Net property less than £10,000 | 50% of that property |
| Net property in excess of £10,000 | 50% of the first £10,000, plus 20% of the property that exceeds £10,000, up to a maximum prescribed part of £600,000 |

- 8.5 The prescribed part does not apply as net property is £Nil.

Floating charge creditors

- 8.6 There is currently no prospect of a dividend to floating charge creditors.

Unsecured non-preferential creditors

- 8 7 There have been no distributions to this class of creditor, either under the Prescribed Part or outside of it, and there is no prospect of any future distribution

9. REMUNERATION AND DISBURSEMENTS

Pre-Appointment Remuneration

- 9 1 Authority was given at the meeting of creditors held on 20 March 2013 for the Liquidator to draw fees for assisting with the preparation of the Statement of Affairs and for convening the first meetings of members and creditors of £3,250 and £750 respectively.
- 9 2 No fees, in respect of the above, were drawn during the reporting period. No such fees have been drawn since the end of the reporting period.

Liquidator's Remuneration

- 9 3 Authority was given at the meeting of creditors held on 20 March 2013 for the Liquidator's fees to be drawn on a time cost basis.
- 9 4 Total post appointment time costs in the liquidation are £10,313.50 (subject to posting of all timesheets at the date of the report) which relates to 52.10 hours spent in dealing with the liquidation at an average hourly charge out rate of £197.96. Of these time costs, £2549.00 was charged between the end of the reporting period and the date of this report.
- 9 5 During the reporting period the time costs incurred were £2,488.50 which relates to 12.60 hours spent in dealing with the liquidation at an average hourly charge out rate of £197.50.
- 9 6 No Liquidators fees were drawn either during the reporting period or since the end of the reporting period.
- 9 7 Current unbilled time costs amount to £10,313.50.
- 9 8 The amounts are derived by reference to normal rates for time properly given by me and my staff in attending to matters arising in the liquidation. The 'Addendum to Creditors' Guide', attached at Appendix B, details the current charge out rates.
- 9 9 Also attached at Appendix B is an analysis of the time costs charged to date by work category, in accordance with Statement of Insolvency Practice 9 (SIP 9). Included with that analysis is a description of the routine work carried out within each of the work categories.
- 9 10 I am required, under SIP 9, to provide creditors with information relating to the Liquidator's fees. This information is contained within a document entitled "Guide to Liquidators Fees", which is available at <https://www.r3.org.uk/index.cfm?page=1591>. If you are unable to access or download the Guide, please contact this office and a copy will be provided to you free of charge.

Disbursements

9 11 The disbursements charged to the case comprise of external supplies of incidental services specifically identifiable to the case, such as insurances, case advertising, invoiced travel, external room-hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. To date, the following external disbursements (Category 1) have been incurred:

| | Previous reporting periods £ | This reporting period £ | Since the reporting period £ |
|------------------------------|---------------------------------|----------------------------|---------------------------------|
| Specific Bond | 60 00 | - | - |
| Company Search | 7 00 | - | - |
| Postage | 47 61 | 21 26 | - |
| Copying (external) | - | - | - |
| External Storage | - | 43 86 | - |
| Meeting Room Hire (External) | - | - | - |
| Statutory Advertising | 164 19 | - | - |
| Total | 278 80 | 65 12 | 0 00 |

9 12 I have also incurred disbursements relating to internal supplies or services specifically identifiable to the case, such as photocopying, postage, telephone and fax. These items are classified as Category 2 disbursements and are charged to the case on the recovery basis detailed in the addendum attached at Appendix B.

9 13 Specific authority was obtained at the meeting of creditors held on 20 March 2013 for the Liquidator to draw internal (Category 2) disbursements, as defined by SIP 9, as and when incurred. To date, the following internal disbursements (Category 2) have been incurred.

| | Previous reporting periods £ | This reporting period £ | Since the reporting period £ |
|--------------------|---------------------------------|----------------------------|---------------------------------|
| Copying (internal) | 6 30 | 4 40 | - |
| Mileage | 41 40 | - | - |
| Total | 47 70 | 4 40 | 0 00 |

Professional Advisors

9 14 The Liquidator has not instructed any professional advisors to date.

15 May 2015

10. STATEMENT OF CREDITORS' RIGHTS

- 10 1 An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of 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 within the same time limit.
- 10 2 Any unsecured creditor may, with the permission of the Court or with 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 eight weeks of receipt of this report. Any secured creditor may make a similar application to Court within the same time limit.

11. CONCLUSION

- 11 1 The Liquidator will be continuing the liquidation of the company until the outstanding matters in Sections 2 & 3 have been concluded; it is estimated that this will take no longer than 6 months. Once these matters have been dealt with the liquidation will proceed to closure.
- 11 2 If you require any further information, please do not hesitate to contact me.


Jason Grocock
Liquidator



Insolvency
APPENDIX A

G2 Insolvency Limited
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23-25 Friar Lane
Leicester
LE1 5QQ

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Fax: +44 (0)116 326 0321
Email: info@g2-i.co.uk
Website: www.g2-i.co.uk

MDS Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
To 15/05/2015

| S of A £ | | £ | £ |
|---------------------|---------------------------------------|-------|-------------|
| | SECURED ASSETS | | |
| 6,000 00 | Plant, Equipment, Furniture & Vehicle | NIL | NIL |
| | SECURED CREDITORS | | |
| (111,012 66) | James Robinson Fibres Ltd | NIL | NIL |
| | ASSET REALISATIONS | | |
| 1,500 00 | Book Debts | 20 16 | 20 16 |
| | COST OF REALISATIONS | | |
| | Storage Costs | 15 72 | (15 72) |
| | UNSECURED CREDITORS | | |
| (48,768 30) | Trade & Expense Creditors | NIL | |
| (15,250 00) | HM Revenue & Customs (PAYE/NIC) | NIL | |
| (38,000 00) | HM Revenue & Customs (VAT) | NIL | NIL |
| | DISTRIBUTIONS | | |
| (10,000.00) | Ordinary Shareholders | NIL | NIL |
| (215,530.96) | | | 4.44 |
| | REPRESENTED BY | | |
| | Vat Receivable | | 3 14 |
| | Floating Charge Account | | 1 30 |
| | | | 4.44 |

**MDS Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

| Statement of Affairs | From 20/03/2014 To 19/03/2015 | From 20/03/2013 To 19/03/2015 |
|---------------------------------------|----------------------------------|----------------------------------|
| 6,000 00 | | |
| SECURED ASSETS | | |
| Plant, Equipment, Furniture & Vehicle | NIL | NIL |
| | NIL | NIL |
| (111,012 66) | | |
| SECURED CREDITORS | | |
| James Robinson Fibres Ltd | NIL | NIL |
| | NIL | NIL |
| 1,500 00 | | |
| ASSET REALISATIONS | | |
| Book Debts | NIL | 20 16 |
| | NIL | 20 16 |
| | | |
| COST OF REALISATIONS | | |
| Storage Costs | 4 20 | 4 20 |
| | (4 20) | (4 20) |
| (48,768 30) | | |
| UNSECURED CREDITORS | | |
| Trade & Expense Creditors | NIL | NIL |
| (15,250 00) | NIL | NIL |
| HM Revenue & Customs (PAYE/NIC) | NIL | NIL |
| (38,000.00) | NIL | NIL |
| | NIL | NIL |
| (10,000 00) | | |
| DISTRIBUTIONS | | |
| Ordinary Shareholders | NIL | NIL |
| | NIL | NIL |
| (215,530.96) | (4.20) | 15.96 |
| | | |
| REPRESENTED BY | | |
| Vat Receivable | | 0 84 |
| Floating Charge Account | | 15 12 |
| | | 15.96 |



Insolvency
APPENDIX B

G2 Insolvency Limited
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23-25 Friar Lane
Leicester
LE1 5QQ

Tel +44 (0)116 326 0320
Fax +44 (0)116 326 0321
Email info@g2-i.co.uk
Website www.g2-i.co.uk

Time Entry - SIP9 Time & Cost Summary

07 - MDS Limited
 Act Code POST
 1 14/03/2013 To 15/05/2015

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|--------------|-------------|----------------------------|----------------------------|--------------|------------------|-------------------------|
| Business Planning | 4.40 | 2.40 | 11.60 | 1.30 | 19.70 | 3,953.00 | 200.66 |
| Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Operations | 6.70 | 0.10 | 5.80 | 0.40 | 13.00 | 2,971.50 | 228.58 |
| Investigations | 3.70 | 0.00 | 7.00 | 5.80 | 16.50 | 2,834.50 | 171.79 |
| Administration of Assets | 0.20 | 0.00 | 2.70 | 0.00 | 2.90 | 554.50 | 191.21 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Hours | 15.00 | 2.50 | 27.10 | 7.50 | 52.10 | 10,313.50 | 197.96 |
| Fees Claimed | | | | | | 0.00 | |
| Disbursements Claimed | | | | | | 0.00 | |

Time Entry - SIP9 Time & Cost Summary

07 - MDS Limited
 Project Code POST
 Period 20/03/2014 To 19/03/2015

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|-------------|-------------|----------------------------|----------------------------|--------------|-----------------|-------------------------|
| Strategic Planning | 2.20 | 2.00 | 1.50 | 0.90 | 6.60 | 1,363.50 | 206.59 |
| Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Operations | 2.90 | 0.10 | 0.20 | 0.20 | 3.40 | 872.50 | 256.62 |
| Investigations | 0.10 | 0.00 | 0.00 | 2.50 | 2.60 | 252.50 | 97.12 |
| Administration of Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Hours | 5.20 | 2.10 | 1.70 | 3.60 | 12.60 | 2,488.50 | 197.50 |
| Fees Claimed | | | | | | 0.00 | |
| Disbursements Claimed | | | | | | 0.00 | |