

# 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

06342883

Name of Company

Bathroom Connections Limited

I / We

Mark S Goldstein, Kingswood Court, 1 Hemlock Close, Kingswood, Surrey, KT20 6QW

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 08/07/2014 to 07/07/2015

Signed \_\_\_\_\_

Date

22 July 2015

Mark Goldstein Associates Limited  
Kingswood Court  
1 Hemlock Close  
Kingswood  
Surrey, KT20 6QW

Ref BAT0001/MSG/MDG

FRIDAY



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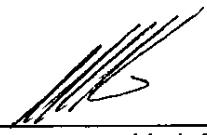
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COMPANIES HOUSE

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

Statement of Affairs	From 08/07/2014 To 07/07/2015
147,753 74	SECURED ASSETS
	Book Debts
	NIL
	NIL
(98,042 91)	SECURED CREDITORS
	Lloyds Commercial Ltd
	NIL
	NIL
1,000 00	ASSET REALISATIONS
	Stock
	NIL
	Indemnity for Costs
	10,000 00
	Bank Interest Gross
	0 90
	10,000 90
	COST OF REALISATIONS
	Office Holders Fees
	6,937 33
	Office Holders Expenses
	151 20
	Agents/Valuers Fees
	150 00
	Legal Fees
	1,076 40
	(8,314 93)
(2,967 28)	PREFERENTIAL CREDITORS
(254 64)	The Insolvency Service
	NIL
	Employee Arrears/Hol Pay
	NIL
	NIL
(106,865 56)	FLOATING CHARGE CREDITORS
	Floating Charge Creditor
	NIL
	NIL
(108,323 27)	UNSECURED CREDITORS
(5,707 64)	Trade & Expense Creditors
	NIL
(418,186 90)	The Insolvency Service
	NIL
(21,606 31)	Directors Loans
	NIL
9,865 66	HM Revenue & Customs - PAYE & NI
	NIL
	HM Revenue & Customs - VAT
	NIL
	NIL
(690,000 00)	DISTRIBUTIONS
	Ordinary Shareholders
	NIL
	NIL
<b>(1,293,335.11)</b>	<b>1,685.97</b>
	REPRESENTED BY
	VAT Receivable
	1,417 71
	Bank 1 Current
	268 26
	<b>1,685.97</b>



Mark S Goldstein  
Liquidator

**BATHROOM CONNECTIONS LIMITED (IN CREDITORS' VOLUNTARY LIQUIDATION)-('the company')**

**LIQUIDATOR'S PROGRESS REPORT PURSUANT TO  
SECTION 104A OF THE INSOLVENCY ACT 1986 AND  
RULE 4.49C OF THE INSOLVENCY RULES 1986**

**FOR THE PERIOD FROM 8 JULY 2014 TO 7 JULY 2015**

**22 JULY 2015**

## **SUMMARY INFORMATION**

Type of insolvency procedure	Creditors' Voluntary Liquidation
Registered office	Kingswood Court 1 Hemlock Close Kingswood Surrey KT20 6QW
Registered number	06342883
Former trading address	Main Road Tytherleigh Road Axminster EX13 7BE
Liquidator's name and address	Mark Goldstein Mark Goldstein Associates Ltd Kingwood Court 1 Hemlock Close Kingswood Surrey KT20 6QW
Date of liquidation	08 July 2014
Date of Liquidator's appointment	08 July 2014
Details of any changes in office holder	None
Contact details	01737 830763 karen.synott@mgacr.co.uk

## 1 INTRODUCTION

- 1 01 I was appointed Liquidator of the company on 8 July 2014. I now present my progress report for the first year of the liquidation, pursuant to Section 104A of the Insolvency Act 1986 ('the Act') and Rule 4.49C of the Insolvency Rules 1986 ('the Rules').
- 1 02 At the date of my appointment the company had ceased trading and accordingly I took steps to realise the remaining assets with a view to distributing the funds to creditors, after costs, in the prescribed order of priority. As Liquidator, I was also obliged to investigate the company's affairs.
- 1 03 I attach at Appendix 1 a receipts and payments account for the period to 7 July 2015. Details of progress during the period are set out in sections 2 to 4 below.

## 2 ASSET REALISATIONS

- 2 01 An investigation was undertaken into the alleged theft of stock from the company's premises and the police were duly informed. Following the report a number of arrests, interviews and searches were carried out in an attempt to locate both the company's property and an offender. Unfortunately, following an intensive investigation, the police concluded that they had no option but to file the crime as undetected.

Third party funding was provided to enable me to advance my enquiries and to take legal advice on the merits of a case to be instigated by the Company against a former director. Careful consideration was given to commencing a private prosecution but the substantial funding required could not be raised. Furthermore the outcome for creditors in such an action could not be ascertained thereby outweighing the potential benefit to the creditors.

### *Book debts*

- 2 02 The sales ledger was factored with Lloyds TSB Commercial Finance Ltd. At the date of liquidation, the sales ledger stood at £149,000 against which there were advances by the factoring company of £105,000. Unfortunately the factoring company has stated they have been unable to collect the debts despite the assistance of the director Mr Robinson. They have not reassigned the ledger to me and therefore I cannot take any steps to identify if, after this lengthy period, a realisation is possible.

## 3 CREDITORS' CLAIMS

- 3 01 I will deal with these in order of priority prescribed by legislation.

### *Secured creditor*

- 3 02 Under Section 176A of the Insolvency Act 1986, where a company has granted a floating charge to a creditor after 15 September 2003, a prescribed part of a Company's net property, which would otherwise be available to the floating charge creditor, is set aside for the benefit of unsecured non-preferential creditors. In this particular case, a floating charge has been created in favour of Lloyds Bank, and accordingly Section 176A does apply. There is no likelihood however of funds being realised to pay the floating charge creditor.

### *Unsecured preferential creditors*

- 3 03 At the outset it was anticipated that former employees would have preferential claims for pay arrears, up to a maximum of £800, and/or accrued holiday pay.
- 3 04 These claims were received and were met by the Secretary of State ('SofS') to the extent required by the Employment Rights Act 1996. The SofS has yet to submit their claim to me but it is expected to be in line with the amount per the Statement of Affairs.

*Unsecured non-preferential creditors*

3 07 Claims have been received from approximately 21 unsecured creditors totalling £83,166 92

*Dividend Prospects*

3 09 Notice is hereby given that I am unable to declare a dividend to any class of creditor

**4 INVESTIGATIONS**

4 01 The company's affairs have been investigated and I have complied with my obligations under Section 7(3) of the Company Directors Disqualification Act 1986

4 02 As explained at paragraph 2 01 the matters identified could be pursued with a view to increasing the funds available to creditors

**5 COSTS AND EXPENSES**

*Statement of Affairs fee*

5 01 As stated in my report presented to the first meeting of creditors, pre appointment remuneration of £6,000 plus VAT has been paid by a third party

*Liquidator's remuneration*

5 02 My remuneration was previously authorised by creditors at a meeting held on 8 July 2014 to be drawn on a time cost basis My total time costs to 7 July 2015 amount to £7,662 00, £6,937 33 of which has been drawn A schedule of my time costs incurred to date is attached as Appendix 2

A description of the routine work undertaken in the liquidation to date is as follows

**1 Administration and Planning**

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

**2 Cashiering**

- Maintaining and managing the liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

**3 Creditors**

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors

**4 Investigations**

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review of the Company's complaint submitted to the police

- Consideration of the findings of the case with solicitors and a director
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Liaising with the company's bank regarding the closure of the account
- Dealing with agents regarding the realisation and recovery of assets
- Communications with factoring company and director thereon

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals, together with an explanatory note which shows Mark Goldstein Associates Ltd's fee policy are available upon request from the address below

*Liquidator's disbursements*

- 5 03 In relation to disbursements, where my firm has incurred a cost that is directly referable to this matter and the payment was made to a third party, these costs have been reimbursed. The disbursements incurred during the period are shown on Appendix 2
- 5 04 No disbursements have or will be claimed which, while directly referable to this matter, did not involve a payment to a third party. Neither will any cost be reimbursed which included an element of shared or allocated cost (eg photocopying)

*Creditors' right to request information*

- 5 05 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with Rule 4 49E of the Rules, such a request or application for leave must be made within 21 days of receipt of this report

*Creditors' right to challenge remuneration and/or expenses*

- 5 06 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 4 131(4) of the Rules. Such applications must be made within eight weeks of receipt of this report

6 **CONCLUSION**

- 6 01 Should you require further information, please do not hesitate to contact me

Mark Goldstein  
Liquidator



**Bathroom Connections Limited  
(In Liquidation)**

**Liquidator's Abstract Of Receipts And Payments  
To 07 July 2015**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>Total (£)</b>
Book Debts	147,753 74	0 00
Stock	1,000 00	0 00
Indemnity for Costs		10,000 00
Bank Interest Gross		0 90
HM Revenue & Customs - VAT	9,865 66	0 00
		10,000 90
 <b>PAYMENTS</b>		
Lloyds Commercial Ltd	-98,042 91	0 00
Office Holders Fees		6,937 33
Office Holders Expenses		151 20
Agents/Valuers Fees		150 00
Legal Fees		1,076 40
The Insolvency Service	-2,967 28	0 00
Employee Arrears/Hol Pay	-254 64	0 00
Floating Charge Creditor	-106,865 56	0 00
Trade & Expense Creditors	-108,323 27	0 00
The Insolvency Service	-5,707 64	0 00
Directors Loans	-418,186 90	0 00
HM Revenue & Customs - PAYE & NIC	-21,606 31	0 00
Ordinary Shareholders	-690,000 00	0 00
		8,314 93
 Net Receipts/(Payments)		1,685 97
 <b>MADE UP AS FOLLOWS</b>		
Bank 1 Current		268 26
VAT Receivable / (Payable)		1,417 71
		1,685 97

**Bathroom Connections Limited (In Liquidation)**

**Summary of time and disbursements from 8 July 2014 to 7 July 2015**

<b>Classification of work function</b>	<b>Office Holder</b>	<b>Snr Support Staff</b>	<b>Assistant &amp; Support Staff</b>	<b>Total Hours</b>	<b>Time Cost £</b>
	230	180	80		
Administration & planning	5 00	1 80	2 75	9 55	1,694 00
Realisation of Assets	5 40		2 00	7 40	1,402 00
Cashering		1 80		1 80	324 00
Creditors	0 20			0 20	46 00
Investigations	17 20		3 00	20 20	4,196 00
<b>Total</b>	<b>27.80</b>	<b>3.60</b>	<b>7.75</b>	<b>39.15</b>	<b>£7,662.00</b>

**Category 1 disbursements analysis**

Disbursement	
Room hire	£139 90
Travelling	£11 30
<b>Total</b>	<b>£151.20</b>

The average hourly charge out rates, excluding VAT, were

Office holder	£230
Senior support staff	£180
Junior support staff	£80

Time is recorded in units of 6 minutes