

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

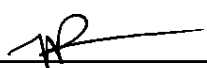
MDS Limited

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 20/03/2013 to 19/03/2014

Signed 

Date 27/01/2015

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

Ref M2007/JG/SCF


THURSDAY



A07 *A403A275* 29/01/2015 #117
COMPANIES HOUSE

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

Statement of Affairs		From 20/03/2013 To 19/03/2014
	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
	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)		20 16
	REPRESENTED BY	
	Floating Charge Account	20 16 20 16


Jason Allan Grocock
Liquidator

27 January 2015

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

Progress Report for the period 20 March 2013 to 19 March 2014

27 January 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



insolvency

CONTENTS

- 1 Introduction
- 2 Progression of the Liquidation
- 3 Investigations
- 4 Receipts and Payments Account
- 5 Realisation of Assets
- 6 SIP13 Disclosure
- 7 Creditors
- 8 Dividends
- 9 Remuneration and Expenses
- 10 Statement of Creditors' Rights
- 11 Conclusion

APPENDICES

- A Receipts and Payments Accounts
- B Addendum to Creditors' Guide

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 2013 to 19 March 2014 ("the reporting period")

2. PROGRESSION OF THE LIQUIDATION

- 2 1 The Liquidator reviewed the assets included in the Statement of Affairs to verify the director's valuations. Further details can be found in Section 5 of this report
- 2 2 Work is ongoing to recover the outstanding book debts, however, the final outcome is currently unknown. All other assets have been realised or otherwise dealt with and no further realisations are expected

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 appeared to be no matters that justified further investigation under the circumstances of this appointment. However 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 (£)
Plant, Equipment, Furniture & Vehicle (financed)	6,000 00	Nil	6,000 00	Nil
Book Debts	1,500 00	20 16	Nil	1,479 84

5.1 Plant, Equipment, Furniture & Vehicle (financed)

This principally comprises a quantity of machinery and equipment, office equipment and furniture and a commercial vehicle, all considered to have limited commercial value at the date of liquidation due to their age and condition. The realisable value included in the Statement of Affairs was the director's valuation of the assets and was therefore reviewed by the Liquidator.

The assets were also subject to a charge by James Robinson Fibres Limited ("JRF") (see section 7.1 for further details) to whom the company owed £111,012.66 at the date of liquidation. The assets were recovered by JRF and enquiries are ongoing as to whether the assets are now being held by a connected company.

5.2 Book Debts

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.

Recoveries to date have been hampered by a lack of information. Whilst attempts to make further recoveries are ongoing, the final outcome is currently unknown.

Other Receipts

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 on 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 and no preferential claims have been received to date

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 £134,106 07

8. DIVIDENDS

Secured (fixed charge) creditors

- 8 1 The only recovery by JRF would be on the disposal of the assets recovered by them. To date no information has been received as to any such recoveries

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 creditors, 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 £6,859 00 (subject to posting of all timesheets at the date of the report) which relates to 34.1 hours spent in dealing with the liquidation at an average hourly charge out rate of £201.14. Of these time costs, £1,583 00 was charged between the end of the reporting period and the date of this report

9 5 No Liquidator's fees were drawn either during the reporting period or since the end of the reporting period

9 6 Current unbilled time costs amount to £6,859 00

9 7 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 8 As the time costs incurred to date are under £10,000, having regard to the proportionality considerations referred to in paragraph 7 of the Appendix to Statement of Insolvency Practice 9 (SIP 9), I do not believe that it is in the interest of creditors to provide an analysis of time costs by activity and grade of staff as the preparation of such an analysis would entail spending a significant amount of time for little or no benefit to creditors



27 January 2015

- 9 9 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 10 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:

	Pre- appointment £	This reporting period £	Since the reporting period £
Specific Bond	-	60 00	-
Company Search	4 00	3 00	-
Postage	15 84	8 97	-
Copying (external)	16 80	6 00	-
External Storage	-	-	32 34
Statutory Advertising	54 73	109 46	-
Total	54 73	109 46	32 34

- 9 11 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 12 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:

	Pre- appointment £	This reporting period £	Since the reporting period £
Copying (internal)	-	6 30	-
Mileage	41 40	-	-
Total	41 40	6 30	-

Professional Advisors

- 9 13 The Liquidator has not instructed any professional advisors to date.



27 January 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 9 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
Rutland House
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

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

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	REPRESENTED BY	
	Floating Charge Account	20 16
		20.16



Insolvency
APPENDIX B

G2 Insolvency Limited
Rutland House
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

**ADDENDUM TO CREDITORS' GUIDE TO FEES
G2 INSOLVENCY LIMITED – FEES AND DISBURSEMENTS**

Chargeout Rates

Grade	Charge-out rate (£ per hour)	
Director/Appointment Taker	275	G2 Insolvency Limited Rutland House 23-25 Friar Lane Leicester LE1 5QQ Tel 0116 326 0320 Fax 0116 326 321 Email info@g2-i.co.uk
Manager	200	
Senior Administrator/Senior Cashier	185	
Administrator/Cashier	150	
Junior Administrator	125	
Support Staff	*90	
Time costs are calculated using 6 minute units		
*Time spent by support and secretarial staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead of the firm. Only where a significant amount of time is spent at one time on a case is a charge made for support staff		

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Statutory advertising,
- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements are specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These disbursements are recoverable in full from the estate without the prior approval of creditors, either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are (but not limited to)

- Statutory advertising,
- Meeting room hire,
- Specific bond insurance,
- Company search fees,
- Postage,
- Travel expenses,
- Photocopying (where a third party is used), and
- External storage and archiving costs

Category 2 disbursements are costs that are directly referable to the appointment in question but not to payment made to a third party. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance

Category 2 disbursements are proposed to be recovered as follows

- Photocopying (internal) 10p per sheet
- Mileage 45p per mile