

**The Insolvency Act 1986**

**Liquidator's Progress Report  
Pursuant to section 192 of  
the Insolvency Act 1986**

# S.192

To the Registrar of Companies

For official use

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Company Number

07118787

Name of Company

**G. Matthews & Son Limited**
~~IAAve~~

Mark Reynolds  
5 Stirling Court  
Stirling Way  
Borehamwood  
Hertfordshire  
WD6 2FX

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 5 December 2014 to 4 December 2015

Signed

Date

Valentine & Co  
5 Stirling Court  
Stirling Way  
Borehamwood  
Hertfordshire  
WD6 2FX

Ref MSR/EE/G319

**For Official Use**

Insolvency Sect Post Room

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COMPANIES HOUSE

**Liquidator's Annual Progress Report  
to Creditors and Members**

**G. Matthews & Son Limited  
- In Liquidation**

**8 January 2016**

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## **1 Introduction**

- 1 1 I, Mark Reynolds, of Valentine & Co, 5 Stirling Court, Stirling Way, Borehamwood, Hertfordshire, WD6 2FX, was appointed as Liquidator of G Matthews & Son Limited (the Company) on 5 December 2014. This report provides an update on the progress in the liquidation for the year ended 4 December 2015.
- 1 2 The principal trading address of the Company was 45 Lakeside Road, Cheshunt, EN8 0EX.
- 1 3 The registered office of the Company was changed to c/o Valentine & Co, 5 Stirling Court, Stirling Way, Borehamwood, Hertfordshire, WD6 2FX and its registered number is 07118787.

## **2 Realisation of Assets**

- 2 1 The Statement of Affairs reflects an estimated to realise figure for book debts of £2,000. The majority of the debts have been disputed and to date £288 has been received during the period of this report. It is not expected that further debts will be realisable and the matter has been deemed uneconomic to pursue.
- 2 2 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the Director, Gary Matthews, purchased the Company's plant and machinery and a motor vehicle, a Ford Transit van, for £900 and £3,350 respectively, which was paid on in full on 5 June 2015.
- 2 3 Funds held by the reporting accountant, being £1,750, were paid into the liquidation account upon my appointment.
- 2 4 All funds received within the liquidation are placed in a specifically designated interest bearing account and the gross interest received to 4 December 2015 totals 46 pence.
- 2 5 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 4 December 2015 with a comparison to the Statement of Affairs values, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator.
- 2 6 Further information on the Liquidator's remuneration can be found in section 5 below.

### **3 Investigations**

- 3 1 In accordance with Statement of Insolvency Practice 2 (**SIP2**), a review of the Company's books and records was conducted in order to identify any unusual or exceptional transactions
- 3 2 During the investigation, particular attention was paid to identifying any possible antecedent transactions such as preference payments, transactions at an undervalue and transactions defrauding creditors. Additionally, it was considered whether there was evidence of wrongful trading and/or misfeasance, for which an action could be brought against the director(s)
- 3 3 In accordance with the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 4 (**SIP4**), I have submitted a report on the conduct of the Directors of the Company to the Department of Business Innovation & Skills. As this is a confidential report, I am not able to disclose the content
- 3 4 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire
- 3 5 My investigations revealed potential preference payments of £10,000 made to an associated party. As a consequence, solicitors (SBP Law LLP) have been instructed to investigate the matter further and, if necessary, pursue an action under Section 239 of the Insolvency Act 1986 – Preferences. Investigations are currently ongoing and I will be providing an update at either the next annual report to creditors, or in my final report, whichever is sooner

### **4 Creditors**

#### ***Secured Creditors***

- 4 1 There were no secured creditors

#### ***Preferential Creditors***

- 4 2 There were no preferential creditors

#### ***Unsecured Creditors***

- 4 3 I received claims totalling £87,592.05 from 7 creditors
- 4 4 At this stage, it appears that there is no prospect of a dividend to unsecured creditors

## **5 Liquidator's Remuneration**

- 5 1 The Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation
- 5 2 My time costs for the year to 4 December 2015 are £3,490 This represents 17 90 hours at an average rate of £194 97 per hour Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation
- 5 3 I can confirm that no fees have been drawn to date
- 5 4 The time spent on this case since my appointment relates to the following matters
- Attending to correspondence and telephone calls with creditors
  - Recording and acknowledging creditors' claims
  - Investigations into the affairs of the Company
  - Preparation and submission of statutory report to the Secretary of State
  - Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
  - Cashiering and updating insolvency computer system
  - Reviews of case
  - Statutory compliance which includes submissions to Companies House
  - Liaising with valuation agents
  - Liaising with debt collection agent / collection of book debts
  - Liaising with solicitors/counsel
- 5 5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.valentine-co.com](http://www.valentine-co.com) > Technical Resources > Creditors' Guides to Fees
- 5 6 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

**6 Liquidator's Expenses**

6 1 The following expenses have been incurred since my appointment as Liquidator

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
AUA Insolvency Risk Services	Specific Bonding Insurance	36 00	0 00	36 00
Courts Advertising	Statutory Advertising	225 00	225 00	0 00
Herts Valuations	Valuation and sale of assets	491 60	491 60	0 00

**7 Creditors' rights**

7 1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report


7 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive

**8 Case Progression / Next Report**

8 1 My administration of the liquidation is ongoing I am currently continuing my investigations into potential antecedent transactions I anticipate that I will be able to take steps to finalise the liquidation in the next twelve months

8 2 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully



**Mark Reynolds**

Liquidator

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## Appendix A

Receipts and Payments Account for Period from 5 December 2014 to 4 December 2015.



**G. Matthews & Son Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 05/12/2014 To 04/12/2015	From 05/12/2014 To 04/12/2015
	<b>ASSET REALISATIONS</b>		
250 00	Plant & Machinery	900 00	900 00
3,000 00	Motor Vehicles	3,350 00	3,350 00
NIL	Computer Equipment	NIL	NIL
2,000 00	Book Debts	288 00	288 00
	Funds Held by Reporting Accountant	1,750 00	1,750 00
	Bank Interest Gross	0 45	0 45
		<u>6,288 45</u>	<u>6,288 45</u>
	<b>COST OF REALISATIONS</b>		
	Pre-Appointment Fees/Expenses	5,000 00	5,000 00
	Statutory Advertising	225 00	225 00
		<u>(5,225 00)</u>	<u>(5,225 00)</u>
	<b>UNSECURED CREDITORS</b>		
(40,368 00)	Trade & Expense Creditors	NIL	NIL
(25,000 00)	Director's Loan Account - G Matthews	NIL	NIL
(2,500 00)	Barclays Bank plc	NIL	NIL
(5,045 00)	HM Revenue & Customs - Corp Tax	NIL	NIL
(4,842 00)	HM Revenue & Customs - VAT	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(2 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(72,507.00)</b>		<u><b>1,063.45</b></u>	<u><b>1,063.45</b></u>
	<b>REPRESENTED BY</b>		
	Fixed Current A/c		63 45
	Vat Control Account		1,000 00
			<u><b>1,063.45</b></u>



Mark Reynolds  
Liquidator

## Appendix B

### Time Analysis for Period from 5 December 2014 to 4 December 2015.

<b>Administration &amp; Planning</b>	Includes case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters, Court application for extension, legal advice regarding Agency issues
<b>Investigations</b>	Includes Statutory duty of investigation into Company's affairs under Statement of Insolvency Practice (SIP2)
<b>Realisation of Assets</b>	Includes dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts
<b>Creditors</b>	Includes correspondence with preferential and unsecured creditors, pensions and employees
<b>Trading</b>	Includes time on site, dealing with matters arising relating to ordering and the supply of goods, completion of WIP, supervision of staff

# Time Entry - SIP9 Time & Cost Summary

G319 - G Matthews & Son Limited  
 Project Code POST  
 From 05/12/2014 To 04/12/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	2.10	0.00	0.00	7.10	9.20	1 817.50	197.55
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.20	0.00	0.00	2.50	2.70	522.50	193.52
Realisation of Assets	0.40	0.00	0.00	5.60	6.00	1,150.00	191.67
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>2.70</b>	<b>0.00</b>	<b>0.00</b>	<b>15.20</b>	<b>17.90</b>	<b>3,490.00</b>	<b>194.97</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>5,000.00</b>	

Summary of chargeout rates for staff members involved with this case

Grade Category	Minimum Rate	Maximum Rate
Partner	350	425
Other Senior Professional	200	200
Manager	285	285
Assistants & Support Staff	50	175

## Appendix C

### Additional Information In Relation To Liquidator's Fees Pursuant To Statement Of Insolvency Practice 9 (SIP 9)

#### Policy

Detailed below is Valentine & Co's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

#### ***Staff Allocation and the use of Sub-contractors***

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Senior and Administrator. The exact constitution of the team will depend on the size and complexity of the assignment and on larger, more complex cases, several staff may be allocated to meet the demands of the case.

With regard to support staff, time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, will this be charged.

We are not proposing to utilise the services of any sub-contractors in this case.

#### ***Professional Advisors***

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
SBP Law LLP (legal advice)	Hourly rate and disbursements
Herts Valuations (valuation and disposal advice)	% of realisations plus disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

**Disbursements**

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement generally comprise of external supplies or incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Disbursement rates are charged as follows - Post liquidation creditors' circulars including director's reports, creditor questionnaire and claims forms £2.25 each, Annual meeting circulars £1.75 each, final meeting circulars £1.75 each. Room hire, where applicable £10.00 per hour. Insurance and bonding is recharged to the Company/insolvent estate at 100% of sum billed to the office holder from the provider of the surety or broker. Travel charges, where any staff of office holder of Valentine & Co utilises their own vehicle are charged at 40 pence per mile. Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party. Subsistence and any other miscellaneous disbursements, where appropriately incurred, are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party. Valentine & Co reserve the right to alter their charge rates without notice from time to time.

We would confirm that no Category 2 disbursements have been charged on this case.

**Charge-out Rates**

Details of the firm's current charge out rates are as follows (effective from 8 January 2015)

	(Per hour) £
Managing Director	425
Other Directors / Consultants	325 - 375
Manager	200 - 300
Senior Administrator	150 - 200
Administrator	50 - 150
Junior/Support	50-100

Please note that this firm records its time in minimum units of 6 minutes.