

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

00884281

Name of Company

L & D Precision Engineers Limited

I/We John A Lowe
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJMary Anne Currie-Smith
Unit 3a, Crome Lea Business Park
Madingley Road
Cambridge
CB23 7PHNote The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was ~~duly held on~~/summoned for 18 February 2014 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, and that ~~the same was done accordingly~~ / no quorum was present at the meeting.

2 give notice that a meeting of the creditors of the company was ~~duly held on~~/summoned for 18 February 2014 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly/~~no quorum was present at the meeting~~

The meeting was held at 2 Merus Court, Meridian Business Park, Leicester, LE19 1RJ

The winding up covers the period from 2 May 2013 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Signed



Date 18 February 2014

Begbies Traynor (Central) LLP
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Ref LD006CVL/JL/MACS/JLH/JMB

FRIDAY



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COMPANIES HOUSE

L & D Precision Engineers Limited (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation pursuant to
Section 106 of the Insolvency Act 1986 and Rule 4.126
of the Insolvency Rules 1986

Period: 02 May 2013 to 18 February 2014

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	L & D Precision Engineers Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	John A Lowe of Begbies Traynor (Central) LLP, 2 Merus Court, Mendian Business Park, Leicester, LE19 1RJ and Mary Currie-Smith of Begbies Traynor (Central) LLP, Unit 3a Crome Lea Business Park, Madingley Road, Cambridge, CB23 7PH
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

This is our final report and account of the liquidation

2. COMPANY INFORMATION

Trading name(s)	L & D Precision Engineers Limited
Company registered number	00884281
Company registered office	2 Merus Court, Menden Business Park, Leicester, LE19 1RJ
Former trading address	Unit B, Hamilton Road, Sutton in Ashfield, NG17 5LD

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	2 May 2013
Date of liquidators' appointment	John A Lowe – 2 May 2013 Ravi Sembri – 2 May 2013 Mary Currie-Smith – 9 October 2013
Changes in liquidator (if any)	Ravi Sembri resigned on 9 October 2013

4. PROGRESS SINCE APPOINTMENT

The Company entered into Administration on 29 June 2012. The Company moved into Creditors Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 to the Act. The majority of assets were realised during the Administration. Please see the Administrators Final Report dated 7 May 2013.

Attached at Appendix 1 is our abstract of receipts and payments for the period from 02 May 2013 to 18 February 2014.

Book Debts

The only asset that remained to be realised in the Liquidation was the re-assigned book debts of £17,878. On further review it transpired that a small debt of £960 was paid to the Company prior to our appointment as Administrators and the remaining £16,918 related to an old debt that was over ten years old and we did not have any paperwork to support the debt. We do not anticipate any recovery from this source.

Other costs of Realisation

Other Costs

The sum of £568.08 has been paid to L&R Storage for the ongoing storage of the Company's books and records.

All other payments were made in accordance with the rules and regulations generally regarding the payment of costs in the Liquidation.

A Liquidation Committee was not formed and, accordingly, we are seeking creditors approval of the attached receipts and payments account.

5 OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included in the statement of proposals of the former administrators

On the basis of realisations, the outcome for each class of the Company's creditors is as follows

Secured creditors

During the Administration, Barclays Bank Plc were repaid a total of £504,568 in full and final settlement under their fixed charge and Barclays Sales Finance were also repaid £82,973 in full and final settlement under their fixed charge

Preferential creditors

A dividend of 100 pence in the £ has been paid to the preferential creditors -

Dividend	Date of Dividend	Amount (pence in £)
First and Final	13 June 2013	100p in £

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part for unsecured creditors is calculated were provided by the former administrators in their statement of proposals

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

A dividend of 49 pence in the £ was paid to the unsecured creditors -

Dividend	Date of Dividend	Amount (pence in £)
First and Final	4 December 2013	49p in the £

There are insufficient funds to pay a further dividend as the balance of funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

6. REMUNERATION & DISBURSEMENTS

Pursuant to Rule 4 127(5A)(a) of the Rules, our remuneration is treated as having been fixed on the same basis as the former administrators, by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) on the same basis as the former administrators, namely, in accordance with our firm's policy, a copy of which is attached at Appendix 2 of this report

Our time costs for the period from 02 May 2013 to 18 February 2014 amount to £24,420 which represents 111.5 hours at an average rate of £219.01 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- Narrative summary of time costs incurred
- Table of time spent and charge-out value for the period 02 May 2013 to 18 February 2014
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates

We have drawn the total sum of £24,269.43 on account in accordance with the approval obtained, leaving unbilled time costs of £150.57, which have been written off as irrecoverable

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7. UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable

8. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties

9. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on **18 February 2014** in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned to our office by 12 noon on the business day before the meeting. Please note that we will not accept receipt of completed proxy forms by email. Submission of proxy forms by email will lead to the proxy being held invalid and the vote not cast.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, Julie Hogg in the first instance, who will be pleased to assist.



John A Lowe
Joint Liquidator

Dated 18 February 2014

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 02 May 2013 to 18 February 2014

L & D Precision Engineers Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 18/02/2014

	£	£
ASSET REALISATIONS		
Administrator	137,221 79	
Bank Interest Gross	<u>97 97</u>	
		137,319 76
COST OF REALISATIONS		
Liquidators Fees	24,269 43	
Corporation Tax	38 45	
Storage Costs	568 08	
Statutory Advertising	253 80	
Specific Bond	<u>29 70</u>	
		(25,159 46)
PREFERENTIAL CREDITORS		
RPO re Arrears/Holiday Pay	4,168 82	
Employees re Arrears/Hol Pay	<u>863 80</u>	
		(5,032 62)
UNSECURED CREDITORS		
Trade Creditors	<u>107,127 68</u>	
		<u>(107,127 68)</u>
		<u><u>NIL</u></u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 02 May 2013 to 18 February 2014

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² *ibid* 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leicester office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME L & D Precision Engineers Limited
CASE TYPE CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS John A Lowe AND Mary Anne Currie-Smith
DATE OF APPOINTMENT 02 May 2013

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

This case involved dealing with the re-assigned book debts

1.3 The office holders' effectiveness

We reviewed the re-assigned book debts and dealt with them accordingly

1.4 Nature and value of property dealt with by the office holders

There have been no realisations in respect of the re-assigned book debts

1.5 Anticipated return to creditors

A full return has been made to preferential creditors and a 49p in the £ has been made to unsecured creditors

1.6 Time costs analysis

An analysis of time costs incurred between 02 May 2013 and 18 February 2014 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only

1.7 The views of the creditors

We dealt with creditors queries as and when arisen

1.8 Approval of fees

A resolution for our fees based on time costs was approved by creditors on 6 September 2012

1.9 Approval of Expenses and Disbursements

A resolution for our expenses and disbursements was approved by creditors on 6 September 2012

1.10 Other professionals employed & their costs

There were no other professionals employed in this matter

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2.1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2

2.2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £
Administration and Planning	17									17	671 50	395 00
Appointment and case planning												
Administration and Banking	4 5			1 5	15 7				4 8	26 5	5,921 50	223 45
Statutory reporting and statement of affairs	2 0				5 0					7 0	1,815 00	259 29
Investigations												
CDDA and investigations					1 5					1 5	307 50	205 00
Debt collection												
Realisation of assets												
Property business and asset sales	1 7									1 7	671 50	395 00
Retention of Title/Third party assets												
Trading												
Trading												
Creditors												
Secured												
Others	2 0				66 5				2 8	71 3	14,730 50	206 60
Creditors committee												
Other matters												
Meetings												
Other												
Tax									0 7	1 8	302 5	
Litigation					1 1							
Total hours by staff grade	11 9			1 5	89 8				8 3	111 5		
Total time cost by staff grade £	4,700 50			397 50	18,409 00				913 00		24,420 00	
Average hourly rate £	395 00			265 00	205 00				110 00			219 01
Total fees drawn to date £											24,269 43	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Corporation Tax	HM Revenue and Customs	38 45	38 45	0
Storage Costs	L&R Storage Ltd	568 08	568 08	0
Statutory advertising	Courts Advertising Ltd	253 80	253 80	0
Specific Bond	Insolvency Risk Services Limited	29 70	29 70	0