

LIQ03

Notice of progress report in voluntary winding up



Companies House

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15/05/2021

#38

COMPANIES HOUSE

1 Company details

Company number 0 0 1 5 7 9 2 5
Company name in full DUCATT HEATING COMPANY LIMITED (THE)

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nigel
Surname Price

3 Liquidator's address

Building name/number 13 Church Street
Street Stourbridge
Post town DY8 1LT
County/Region
Postcode
Country

4 Liquidator's name ①

Full forename(s) Joseph Gordon Maurice
Surname Sadler

① Other liquidator
Use this section to tell us about
another liquidator.

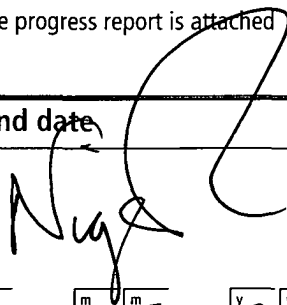
5 Liquidator's address ②

Building name/number 14 Regent Street
Street Nottingham
Post town NG1 5BQ
County/Region
Postcode
Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d 1	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0				
To date	^d 1	^d 8	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div>Signature</div> <div>X </div>								X			
Signature date	^d 1	^d 4	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1				

LIQ03

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Nigel Price**

Company name **Elwell Watchorn & Saxton LLP**

Address **13 Church Street**
Stourbridge

Post town

County/Region

Postcode

D Y 8 1 L T

Country

DX

Telephone

01384465301



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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ELWELLWATCHHORNSAXTON

**Ducatt Heating Company Limited (The)
(In Creditors' Voluntary Liquidation)
("the Company" or "Ducatt")**

**Annual Progress Report
19 March 2020 to 18 March 2021**

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1. Statutory Information
2. Receipts and Payments Account
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1. INTRODUCTION

I, Nigel Price of Elwell Watchorn & Saxton LLP, 13 Church Street, Stourbridge, DY8 1LT, was appointed as Joint Liquidator of the Company, together with my partner, Joe Sadler, by its creditors, by deemed consent on 19 March 2020.

This Progress Report summarises the progress of the liquidation for the period from 19 March 2020 to 18 March 2021 ("the Review Period").

The purpose of this report is to detail the acts and dealings of the Liquidators during the Review Period and it should be read in conjunction with previous correspondence to creditors.

Attached at Appendix 1 is a summary of statutory information regarding the Company and the Liquidation.

As Liquidators, we are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit to creditors, they assist in the efficient and compliant progression of the liquidation.

2. RECEIPTS AND PAYMENTS

A Receipts and Payment Account for the period 19 March 2020 to 18 March 2021, is attached at Appendix 2, showing a net balance in hand of £132,088.15.

I have detailed below key information about asset realisations and payments made during the period.

RECEIPTS

Freehold Property

The Company's former trading premises at Platts Road, Amblecote, Stourbridge, had been vacated, and marketed for sale, by local agents, Hexagon Commercial Property ("Hexagon"), at the instruction of the directors, some months before Ducatt ceased trading and entered liquidation. The estimated value of the property had been assessed by the directors, and Hexagon, at circa £400,000.

Ducatt had then moved its business to smaller, leasehold offices, at Baird House, Second Avenue, Pensnett Trading Estate, Kingswinford, DY6 7YA.

The sale of the Platts Road property was intended to fully repay the existing secured indebtedness, to HSBC Bank PLC, and to provide Ducatt with a significant cash surplus, for much-needed working capital. However, the intended sale of the property became protracted, and the property remained unsold at the date of our appointment as Liquidators.

Following our appointment, we continued to use Hexagon, as the selling agents, due to their existing knowledge of the property, and interest was received from a small number of parties, at indicative values ranging from £375,000 to £425,000, but subject to conditions such as planning consent, ground surveys, and obtaining bank funding.

A cash offer of £375,000, with early completion, subject to a ground survey, was recommended, by Hexagon, and accepted, and contracts were drawn up by Talbots solicitors, acting on behalf of the Liquidators. However, the ground survey resulted in concerns over contamination, resulting in the reduction of the offer to £305,000, but a willingness to complete swiftly.

An alternative offer of £315,000 was received, also subject to a ground survey, lending by a funder, and a subsequent exclusivity period, within which to complete.

On the basis that the results of the first survey, by the earlier intended purchaser, had resulted in a significant price reduction, the fact that the second offer was subject to third party funding, and that a period of exclusivity was required, gave rise to concerns that this second offer might not result in any higher sale price, than the cash offer and, actually, might not complete, at all.

As a result, we consulted a property expert at Hilco Global, whom we had used on many previous occasions, for a second opinion, and were advised to accept the cash offer of £305,000.

The sale of the property completed on 24 June 2020 at the figure of £305,000 and the existing secured indebtedness to HSBC Bank PLC of £139,195 was fully repaid from the sale proceeds.

An amount of £850 has also been included within the amount received from Talbots solicitors, being a refund of a payment made on account to the Solicitors from the Company, for their assistance and legal advice of the potential pre appointment property sale.

Computer Equipment and Fixtures & Fittings

Ducatt's computer equipment, and fixtures & fittings were valued by independent, suitably qualified, and insured, agents, Hilco Global ("Hilco"), who recommended that they be sold to Eleven UK Investments Ltd ("Eleven"), the party from whom the highest offer was received, for a total price of £2,250 plus VAT. Eleven is a connected party, as Mark Stinton, one of the directors of Ducatt is a director of Eleven.

Motor Vehicles

Ducatt owned four Nissan NV200 vans and one Renault Kangoo van, estimated by Hilco to realise between £16,000 and £20,000. These vans were sold, by Hilco, for a total of £18,000, to a vehicle dealer, which is not connected to Ducatt.

Contract Debts / Book Debts

We engaged specialist quantity surveyors, Leslie Keats ("Keats"), to collect any amounts which were due to Ducatt, in respect of its contracts. Although the total book value of the potential contract receivables was circa £802,000, approximately £300,000 of this related to incomplete contracts, several of which were at a very early stage, with only a small proportion of the contracted work, actually carried out and, effectively, some contracts had already been abandoned, prior to liquidation.

As at the anniversary date of the liquidation, 18 March 2021, only one net of VAT realisation of £713 had been received, although further gross recoveries, of circa £11,740, have been received, since 18 March 2021.

Keats' initial estimate of likely realisations was extremely conservative and, currently, they are still waiting for notification, and verification, of employers' completion costs, and defects rectification costs, on the majority of the contracts.

As a result, there is still significant uncertainty as to the likely eventual recoveries from the remaining contracts, if any. It is possible that claims might arise from the employers on certain contracts, due to increased completion costs, but it may be some time before the final position on the contracts becomes known.

PAYMENTS

Advertising

£343.40, plus VAT, has been paid to Courts Advertising, in relation to statutory advertisements, placed in the London Gazette.

Agents/ Valuers Fees

A total fee of £5,325, net of VAT, was paid in respect of agents' and valuers' fees, as follows.

£4,725, net of VAT, was paid to Hexagon Commercial Property, in respect of their selling fee for the freehold property, being 1.5% of the sale price of £305,000, plus expenses of £150, for two visits to the property to obtain meter readings.

Hilco Global, agents and valuers, have been paid £600, plus VAT, for providing a valuation of the Company's chattel assets, being the five vans and computer equipment, fixtures and fittings, and for obtaining a sale of the vans, and providing a recommendation in relation to the sale of the computer equipment, fixtures and fittings.

Bordereau Premium

A premium of £460 has been paid by Elwell Watchorn & Saxton LLP ("EWS") in relation to the Insolvency Practitioner's bond insurance. This cost has been charged as an expense of the Liquidation and is classed as a Category 1 disbursement, details of which can be found later in this report.

EPC Certificate

A fee of £220 was paid to Youcompli, for the preparation of an EPC for the property, in readiness for sale.

Insurance

Insolvency Risk Services, insurance brokers, were paid £1,294.79 in respect of the insurance cover, which was put in place over the assets of Ducatt, from the date of our appointment, until their eventual sale.

Legal Fees

Talbots Law Ltd were paid fees of £2,553.33, for their work in preparing and completing the contract for the sale of the Platts Road property, including £15 in respect of their disbursements for Land Registry searches.

Petitioners Costs

Freeths were paid £926.50, in respect of the costs of arranging for the dismissal of the winding-up petition, which had been presented, against Ducatt, by Wolseley UK, prior to the liquidation of the Company.

Preparation of SofA

£7,500 was paid to Elwell Watchorn & Saxton in respect of convening the members' meeting to place the Company into Liquidation, providing assistance to the Directors in taking the requisite steps to commence the Liquidation, and for helping with the preparation of the Statement of Affairs. This included £1,000, plus VAT, which was paid to Folkes Worton, for their work in bringing Ducatt's accounts up to date, and assisting with the preparation of the Statement of Affairs, in accordance with the decision procedure, by correspondence, which also took place on 19 March 2020.

Professional Fees

Evolve IS Limited have been paid £4,020, plus VAT, for providing the assistance given to the employees with the submission of their claims for arrears of pay, and holiday pay, plus their entitlements to redundancy pay, and pay in lieu of notice through the Redundancy Payments Service ("RPS"). In addition, they provided advice regarding the agreement of the preferential claims of the RPS, and the additional preferential claims of the individual employees.

Storage

£1,859.19 has been paid to Citistore Ltd in respect of the collection and storage of the accounting and other records of Ducatt.

Utilities

British Gas were paid £279.59, in respect of utility bills, up until the date of vacation of the Company's property at Platts Road, and the leasehold property at Pensnett.

Third party funds received and transferred - Welplan

£1,149.10, was refunded to the Company, by Welplan, in respect of payments made into the above employee holiday pay scheme and this was forwarded on to the relevant employees. Accordingly, this receipt and matching payment are not reflected in the Receipts & Payments account, as the refund was not payable to the Company itself, but to the relevant employees.

3. WORK UNDERTAKEN DURING THE PERIOD

Under the following headings, I have explained the specific case related work that has been undertaken during this period, to allow creditors to understand what has been done, and if there is any financial benefit to them.

Administration (including statutory reporting)

During the period the following general case administration, and statutory reporting, has been undertaken:

- Dealing with initial appointment matters as required by legislation;
- Sending out statutory appointment paperwork including the initial report to creditors, and advertising the appointment of Liquidators;
- Obtaining the specific penalty bond— a mandatory insurance to protect the case assets, after they have been realised;
- Liaising with all relevant stakeholders, including, but not exhaustively, directors, secured and unsecured creditors, and employees, regarding appointment, and post-appointment, matters, as necessary;
- Ongoing filing of case paperwork;
- Dealing with general enquiries, and all correspondence regarding the case, together with the routine updating of data in our case management system;
- Periodic review of case progress, asset realisations, and other statutory case matters;
- Maintenance of the estate cash book, where applicable;
- Undertaking Bank Reconciliations, where applicable;
- Entering of base data into the in-house insolvency management system;
- Dealing with records in storage, where applicable;
- Planning and management of strategies for subsequent case progression.

These items are not necessarily of financial benefit to any class of creditor but are requirements of the Statutory Regulations/The Insolvency Act and Rules.

Asset realisations

Amounts realised from the Company's assets, to the anniversary date, are detailed above, in section 2, of this report.

Freehold Property

The sale of the freehold property was dealt with in conjunction with Hexagon Commercial Property ("Hexagon"), suitably qualified and experienced property sales agents, who had already been instructed by the Company, prior to our appointment. Following our appointment, we retained them to market the property for sale, due to their prior knowledge of the property. Hexagon's fee was fixed at 1.5% of selling price.

Subsequently, when two offers were received, which were significantly different, in both value and apparent ability to complete quickly, we sought a second informal opinion from Hilco Global, who are similarly qualified, and experienced, agents and valuers.

Computer equipment, fixtures & fittings, and motor vehicles

Hilco Global, suitably qualified, and insured, independent agents dealt with the valuation and sale of the above assets. They were paid a fee of £600, based upon time costs incurred.

Book Debts and other Contract Receivables

Leslie Keats ("Keats"), suitably qualified and experienced Quantity Surveyors, were instructed to review and collect the amounts outstanding, in respect of certified amounts (book debts), work in progress and retentions (other contract receivables), to the Company under its various contracts for work.

As noted at Section 2 above, only a minimal amount, of £713, had been recovered by Keats, as completion accounts, for the majority of the Company's former contracts, have yet to be submitted, to Keats, by the various contract employers.

As a result, Keats' work, in this area, is still at a relatively early stage, and it will not be possible for Keats to complete their work until final accounts have been prepared, by the various employers, on all of Ducatt's former contracts.

Investigations

As part of the Liquidators' statutory duties, an initial investigation, into the conduct of the Company's directors, was completed.

Reporting on the director's conduct

We are also required to consider the conduct of the Company's directors, and to make an appropriate submission to the Department of Business, Energy and Industrial Strategy (DBEIS). We have concluded our initial investigation into the conduct of the directors, and we have fulfilled our reporting obligations in this respect. Please note, that the contents of this report are confidential, and we are not allowed to disclose them to creditors.

Creditors' claims and distributions

The following tasks have been undertaken during the period:

Secured creditor

Liaising with the secured creditor, HSBC Bank PLC with regard to the sale of the freehold property and the discharge of the indebtedness to the bank, under its fixed charge.

Non-preferential creditors

- Dealing with calls and queries from creditors;
- Taking, relaying and actioning messages;
- Management of correspondence to non-preferential creditors, including e-mail queries and claim forms;
- Providing summary updates to creditors as required;
- Adjudicating on and agreeing creditor claims;

Employees

- Reviewing preferential and unsecured claims of the employees and the Redundancy Payments Service, who have made payments to the employees;
- Liaising with those employees with balancing preferential and unsecured claims against the Company;
- Liaising with professional advisors in order to agree the preferential and unsecured claims of employees;
- Addressing subsequent queries of former employees in respect of specific aspects of their claim;
- Agreeing and paying preferential employee claims to the Redundancy Payments Service and any balancing preferential claims to the employees.

Any dividend distribution made is financially beneficial to the class of creditor which receives a dividend.

Whilst not all items are necessarily of financial benefit to any class of creditor, they are requirements of the Statutory Regulations/The Insolvency Act and Rules, and also ensure the effective management and maintenance of the files.

The appointees are bound by the Insolvency Code of Ethics when carrying out work relating to the appointment.

4. KNOWN OUTSTANDING MATTERS – WORK REMAINING TO BE COMPLETED

Detailed below, under the relevant headings, I have detailed the work that remains to be done in this matter, why the work is necessary and if there is any financial benefit to creditors.

Administration (including statutory reporting)

It will be necessary to continue to undertake the following administrative, and statutory, requirements:

- Dealing with general enquiries and all correspondence regarding the case, together with the routine updating of data, in our case management system, and the filing of case paperwork;
- Periodically reviewing case progress and other, statutory, case matters;
- Planning and managing strategies for case progression;
- Reviewing the adequacy of bonds;
- Cashiering functions, including the recording of all receipts and payments made during the course of the liquidation, and reconciling case bank accounts;
- Filing mandatory returns at Companies House;
- Producing and submitting periodic, and final, reports to the creditors, and other appropriate stakeholders;
- Obtaining necessary tax clearances to close the Liquidation.

The above are not directly financially beneficial to the creditors but are required, in order to continue to comply with Statutory Regulations/The Insolvency Act and Rules, and best practice. The updating reports will also assist creditors in assessing the progress of the case.

Asset realisation

Freehold Property

The sale of the freehold property was dealt with during the period covered by this report, as noted at sections 2 and 3 above, and nothing further remains to be done in this regard.

Computer equipment, fixtures & fittings, and motor vehicles

The valuation and sale of the above assets was dealt with by Hilco Global, as noted at Sections 2 and 3 above, and no further work is required in connection with these assets.

Book Debts and other Contract Receivables

Leslie Keats ("Keats"), suitably qualified and experienced Quantity Surveyors, are instructed to review and collect the amounts outstanding, in respect of certified amounts (book debts), work in progress and retentions (other contract receivables), to the Company under its various contracts for work.

The basis of calculation of their fees, for this work, is by reference to time costs incurred. No fees had been paid to Keats, as at the anniversary date.

As noted at Section 2 above, only a minimal amount, of £713, had been recovered by Keats, as completion accounts, for the majority of the Company's former contracts, have yet to be submitted, to Keats, by the various contract employers. Keats will continue to monitor the position, and press for the submission of final accounts, on the outstanding contracts, as soon as possible, in order to determine what amounts remain due to be paid to Ducatt, if any. However, it is also possible that liabilities could result from the final account on one, or more, of Ducatt's former contracts.

Creditors' claims and distributions (including employees)

Queries raised by creditors will continue to be dealt with in a timely manner, as and when they arise.

Sufficient realisations have been made to enable distributions to be made to creditors, and we will continue to undertake the following additional work to finalise the dividend distribution process:

- Corresponding with non-preferential unsecured creditors regarding submission of their claims, who have not already submitted their claims;
- Entry onto my case management system of all non-preferential claims;
- Consideration and adjudication of all non-preferential unsecured claims;
- Written correspondence to relevant creditors of claims admission or rejection;
- Circulation of statutory notice to non-proving creditors;
- Declaration of dividends to the relevant class of creditors as appropriate, including circulation of supplementary information required by statute.

Any potential distribution to any class of creditor will have a financial benefit to that class of creditor.

Based on the information currently available, I estimate the remaining time to complete this case to be 12-18 months from the date of this report, depending upon the finalisation of the outstanding asset realisations, as mentioned above, the agreement of unsecured creditors' claims, to enable a dividend distribution, and for HMRC to provide final tax clearance, once the Liquidation is in a position to be closed.

5. CREDITORS

Secured Creditor
HSBC Bank PLC

The Company granted the following charges:

On 9 July 2018, the Company granted a fixed and floating charge debenture to HSBC Bank PLC ("the Bank") over its undertaking, together with all property and assets, and the debenture was registered on 12 July 2018. On 20 August 2018, the Company also granted a first legal mortgage over the freehold property at Platts Road.

At the date of our appointment, the Company's indebtedness to the Bank was circa £140,000.

The indebtedness to the Bank was fully repaid, in the amount of £139,194.98, from the sale proceeds of the freehold property, which was subject to its security.

Preferential Creditors

As noted at sections 2 and 3 above, we engaged Evolve IS Ltd ("Evolve") to assist the former employees of Ducatt with the submission to, and agreement by, the Redundancy Payments Service ("RPS"), of their various claims for arrears of pay, and holiday pay, plus their entitlements to redundancy pay and pay in lieu of notice.

As a result, the RPS agreed, and paid, the preferential claims of the employees, for arrears of pay and holiday pay, subject to the statutory limits, in the total sum of £9,594.52 and the RPS submitted

their corresponding preferential claim, in the same amount, to the Liquidators, which was repaid in full to the RPS.

In addition, Evolve provided further assistance in calculating the further amounts, due to the employees, in respect of their residual balancing preferential claims, in the total sum of £2,653.68. After the deduction of attributable PAYE and NIC, totalling £606.46, which has been paid over to HMRC, the Liquidators paid the net balance of their preferential claims, over to the employees in the sum of £2,047.22.

Accordingly, the amounts paid over to the employees, and to the RPS, in respect of employees' preferential claims for arrears of pay, and holiday, total £12,248.20, as compared to the estimated figure per the Statement of Affairs of £12,177.00.

The only remaining element of the employees' preferential claims is that in respect of the refund of any outstanding pension contributions, which were estimated in the Statement of Affairs to be £4,125.00. A claim has been made to the RPS but we have not yet received a claim from the RPS, in this regard, which is expected to be for circa £4,000.

This claim will be paid, in full, once it is received, from the RPS and, once done, this will complete the agreement, and full repayment, of the preferential creditors' claims.

Prescribed Part for unsecured creditors

Details of how the prescribed part for unsecured creditors is calculated were provided in the Liquidators' previous correspondence.

Section 176A of the Insolvency Act 1986 provides that, where the Company has created a floating charge on or after the 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder.

To the best of our knowledge and belief, as HSBC Bank was fully repaid under its fixed charge security, over the freehold property, there are no unsatisfied floating charges, created or registered on or after 15 September 2003 and, consequently, it is likely that there will be no requirement to determine "net property" as defined in Section 176A(6) of the Insolvency Act 1986 and, therefore, no requirement to calculate a prescribed part for distribution to the unsecured creditors.

Based on realisations to date, we anticipate that the final element of the preferential creditors' claims will be fully repaid, once the claim in respect of pension contributions has been received from the RPS.

Following the repayment of the preferential creditors, in full, we anticipate that there will be sufficient funds to pay a dividend to the unsecured creditors, but the quantum and timing of the dividend are currently unknown.

Unsecured Creditors

Unsecured creditors' claims, including trade creditors, employees' redundancy pay, and pay in lieu of notice, plus the amounts owed to HMRC for PAYE/NIC and VAT were estimated, in the directors' Statement of Affairs, to total £869,952. To date, unsecured creditors' claims totalling circa £420,000 have been received, but a large number of creditors have not yet lodged claims.

As stated above, it is likely that there will be sufficient funds to enable a distribution to be made to unsecured creditors. However, as the outcome, in relation to the amounts potentially due to Ducatt under its former contracts, is as yet unclear, we have not yet started the process of reviewing and agreeing the unsecured creditors' claims.

Nevertheless, if you have not yet submitted details of your unsecured claim to us, please do so, as soon as possible.

6. LIQUIDATORS' REMUNERATION AND DISBURSEMENTS

Pre-Appointment Fee

A fee of £7,500.00, plus VAT and disbursements, including £1,000 plus VAT, for Folkes Worton LLP, for their assistance including bringing the Company's accounting records up to date, in respect of the preparation of the statement of affairs, and the work required to place the Company into Liquidation, was agreed with the directors. A resolution for these fees was put to the creditors, via a decision procedure, by correspondence, held on 19 March 2020, and duly passed.

Liquidators' Remuneration

A resolution for an estimate of time costs of £31,005.00, plus VAT and disbursements, in respect of the post-appointment remuneration of the Joint Liquidators was put to the creditors, via a decision procedure, by correspondence, held on 19 March 2020, and the resolution was duly passed.

Our total time costs from the date of appointment to 19 March 2021, the anniversary date, amount to £19,009.50, representing 112.30 hours work at an average charge out rate of £169.27 per hour. We have drawn fees of £18,500.00, against this time, and in accordance with the approved fee estimate.

Summary of Costs

Attached within the appendices are breakdowns of the time costs and disbursements incurred during the period, together with the firm's charging policy.

One of the case managers, who has previously worked on this case has left the firm's full-time employment, but still works, on our cases, on a part-time basis, and is paid on a pro-rata basis. However, there is no cost implication for creditors, as the hourly charge-out rate, for the work done, remains unchanged.

Liquidators' Disbursements

Since appointment I have incurred category 1 disbursements in the sum of £460 in respect of the Insolvency Bond, as required by Statute. No category 2 disbursements have been incurred.

This Category 1 disbursement has been reimbursed as noted in section 2 of this report.

A guide to help creditors understand the law and their rights in relation to an insolvency process can be found at:-

<http://www.creditorinsolvencyguide.co.uk>

Additional information regarding how the liquidator will be paid can be downloaded at:-

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

Expenses - Professional advisors engaged

We have instructed additional professional advisors to assist with the administration and progression of the case where required, as detailed above at Section 2, namely an independent employee rights specialist within Insolvency, legal advisors, quantity surveyors, commercial property advisors and chattel assets valuers and agents. The choice of each advisor is based on their relevant experience and ability to perform this type of work, the nature and complexity of the specific assignment and the basis of the fee arrangement negotiated.

7. FURTHER INFORMATION

EC Regulations

Since these proceedings commenced before 31 December 2020, the Council Regulations (EU) No 1346/2000 continues to apply, and these are the main proceedings as defined in Article 3(1) of that Regulation.

Creditors' Rights

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Disclaimer

This report has been circulated for the sole purpose of providing creditors with an update for information purposes only to fulfil the necessary statutory requirement. The contents are private and confidential and may not be relied upon, referred to, reproduced in whole or in part or otherwise used by creditors for any purpose other than providing an update for them for information purposes, or by any other person for any purpose whatsoever.

Privacy

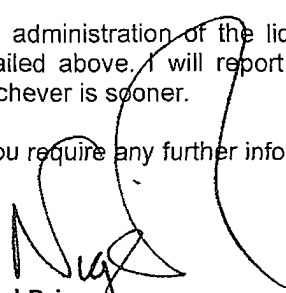
Elwell Watchorn & Saxton LLP uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings.

You can find more information on how Elwell Watchorn & Saxton LLP uses your personal information as a stakeholder in our Stakeholders Privacy Notice available on our website at: www.ewslp.co.uk/privacy/stakeholders.

8. CONCLUSION

The administration of the liquidation will continue in order to finalise the outstanding matters detailed above. I will report again in twelve months' time, or at the conclusion of this case, whichever is sooner.

If you require any further information, please contact the undersigned below.



Nigel Price
Joint Liquidator

Appendix 1

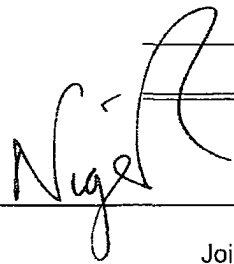
STATUTORY INFORMATION

Registered office:	C/o Elwell Watchorn & Saxton LLP, 8 Warren Park Way, Enderby, Leicester, LE19 4SA
Former Registered Office(s):	C/o Elwell Watchorn & Saxton LLP, 109 Swan Street, Sileby, Leicester, LE12 7NN 8 Baird House Second Avenue, Pensnett Trading Estate, Kingswinford, DY6 7YA
Registered Number:	00157925
The Company's principal activity was:	Plumbing, heat and air-conditioning installation
Name of Liquidators:	Nigel Price & Joseph Sadler
Address of Liquidators:	Elwell Watchorn & Saxton LLP, 13 Church Street, Stourbridge, DY8 1LT Elwell Watchorn & Saxton LLP, 14 Regent Street, Nottingham, NG1 5BQ
IP Numbers:	8778 & 9048
Date of Appointment of Liquidators:	19 March 2020
Appointed By:	Creditors
Email Address:	stourbridge@ewslip.co.uk
Telephone Number:	01384 465 301

DUCATT HEATING COMPANY LIMITED (THE)
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 18/03/2021

S of A £		£	£
	SECURED ASSETS		
400,000.00	Freehold Land & Property	305,850.00	
(158,000.00)	HSBC Bank PLC	(139,194.98)	
			166,655.02
	ASSET REALISATIONS		
3,000.00	Plant & Machinery	NIL	
500.00	Fixtures & Fittings	750.00	
18,000.00	Motor Vehicles	18,000.00	
1,000.00	Computer Equipment	1,500.00	
	Contract debts	713.13	
35,000.00	Book Debts	NIL	
NIL	Shares & Investments	NIL	
			20,963.13
	COST OF REALISATIONS		
	Petitioners Costs	926.50	
	Bordereau Premium	460.00	
	Professional Fees	4,020.00	
	Preparation of S. of A.	7,500.00	
	Office Holders Fees	18,500.00	
	Agents/Valuers Fees	5,325.00	
	Legal Fees	2,553.33	
	Utilities	279.59	
	EPC Certificate	220.00	
	Storage and destruction of records	1,859.19	
	Advertising	343.40	
	Insurance	1,294.79	
			(43,281.80)
	PREFERENTIAL CREDITORS		
	RPS Arrears & Holiday Pay	9,594.52	
(12,177.00)	Employee Arrears/Hol Pay	2,047.22	
	PAYE/NIC deductions on Dividends	606.46	
(4,125.00)	Pension Schemes	NIL	
			(12,248.20)
	UNSECURED CREDITORS		
(655,985.00)	Trade & Expense Creditors	NIL	
(187,089.00)	Employees / Directors	NIL	
(26,877.00)	HMRC(PAYE & NIC)	NIL	
(1.00)	HMRC VAT	NIL	
			NIL
	DISTRIBUTIONS		
(15,000.00)	Ordinary Shareholders	NIL	
			NIL
(601,754.00)			132,088.15

DUCATT HEATING COMPANY LIMITED (THE)
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 18/03/2021

S of A £	£	£
REPRESENTED BY		
Vat Receivable		8,123.16
Bank 1 Current		128,157.62
Vat Payable		(4,192.63)
Welplan Employee Holiday Payments		1,149.10
Employee Welplan funds		(1,149.10)
		132,088.15
		
	Nigel Price	
	Joint Liquidator	

Analysis of Time Costs for the period

Appendix 3

Time Entry - Detailed SIP9 Time & Cost Summary

DUC01 - DUCATT HEATING COMPANY LIMITED (THE)

From: 19/03/2020 To: 18/03/2021

All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Director / Senior Manager	Total Hours	Time Cost (£)	Average Hourly Rate (£)
1APF : Appointment formalities	0.20	3.40	0.00	0.00	0.00	3.60	569.00	158.06
1ASU : Administrative set-up	0.20	0.00	0.00	0.00	0.00	0.20	59.00	295.00
1CF : Cashiering function	0.50	3.40	19.10	0.00	0.50	23.50	2,652.00	110.98
1CR : Case review	0.00	0.00	0.00	0.00	0.20	0.20	40.00	200.00
1GEN : General administration	0.30	12.30	0.10	2.50	5.00	20.50	3,073.50	149.20
1GOV : Liaising with Government agencies	0.40	0.80	0.00	0.00	0.00	1.20	238.00	198.33
1P&M : Planning and monitoring	0.00	0.00	0.00	0.00	0.10	0.10	20.00	200.00
1PEN : Pension matters	1.60	9.70	0.00	0.00	0.40	11.70	2,007.00	171.54
1RET : Non insolvency statutory returns	0.20	0.00	0.00	0.00	0.00	0.20	45.00	225.00
Admin & Planning	3.40	29.60	19.20	2.50	6.60	61.70	8,703.50	141.06
5DIV : Dividends and distributions (non PP)	0.20	0.00	0.00	0.00	0.00	0.20	59.00	295.00
5EM : Employee claims	1.00	7.40	0.00	0.00	1.20	9.60	1,645.00	171.35
5NOP : Non preferential creditors	1.30	5.30	0.00	0.00	2.70	9.30	1,718.50	184.78
Creditors	2.50	12.70	0.00	0.00	3.90	19.10	3,422.50	179.19
2BOO : Review books & records	0.20	0.00	0.00	0.00	0.00	0.20	59.00	295.00
2CDA : CDDA reports	0.00	1.30	0.00	0.00	0.20	1.50	235.00	156.67
2LEG : Legal correspondence/litigation	0.90	0.00	0.00	0.00	0.20	1.10	305.50	277.73
2PIA : SIP 2 post Initial Assessment	0.00	0.20	0.00	0.00	0.00	0.20	30.00	150.00
2SIP : SIP 2 Initial Assessment	0.00	1.70	0.00	0.00	0.00	1.70	255.00	150.00
Investigations	1.10	3.20	0.00	0.00	0.40	4.70	884.50	188.19
3BDR : Book debt realisations	0.20	2.10	0.00	0.00	0.80	3.10	534.00	172.26
3FCR : Fixed Charge Realisations	3.10	0.00	0.00	0.00	1.80	4.90	1,274.50	260.10
3FIX : Fixed asset realisations	0.40	0.00	0.00	0.00	1.70	2.10	458.00	218.10
3IDE : Identifying, securing, insuring assets	1.20	1.30	0.00	0.00	0.50	3.00	649.00	216.33
3LIA : Liaising with professional advisors (assets)	2.00	0.00	0.00	0.00	0.40	2.40	670.00	279.17
3OTH : Other asset realisations	1.90	0.80	0.00	0.00	7.70	10.40	2,220.50	213.51
3ROT : Retention of title	0.00	0.50	0.00	0.00	0.00	0.50	75.00	150.00
Realisation of Assets	8.80	4.70	0.00	0.00	12.90	26.40	5,881.00	222.77
4EMI : Staff / payroll matters	0.40	0.00	0.00	0.00	0.00	0.40	118.00	295.00
Trading	0.40	0.00	0.00	0.00	0.00	0.40	118.00	295.00
Total Hours	16.20	50.20	19.20	2.90	23.80	112.30	19,009.50	169.27
Total Fees Claimed							18,500.00	

Charging Policy

It is the firm's policy that all staff involved on an assignment will record all time spent on dealing with matters arising on that client and that the time will be categorised to show the type of activity carried out. The charge out rates of licensed insolvency practitioners, directors and managers do not therefore include provisions for time spent by secretaries, cashiers and support staff. From 1 October 2015, additional categories of staff activity have been introduced to facilitate more detailed reporting where it is appropriate to do so.

Irrespective of any basis of remuneration agreed, the legislation requires that time spent by all staff on a case is recorded. The recorded time cost is calculated by multiplying the time spent by the individual by their charge-out rate. Time is recorded in units of 6 minutes, with 10 units making up each hour of time spent. Charge-out rates are reviewed annually and are subject to change without prior notice. Full details of the rates applied to a specific case are available on application.

Although for most appointments, the legislation allows the office holder to seek to be remunerated on a combination of any or all of the following bases;

- a. A time cost basis
- b. A percentage of the value of the property dealt with by the office holder (realisations and / or distributions)
- c. A fixed fee

it is the Firm's current policy to seek remuneration on (a) a time cost basis for insolvent appointments.

The arrangements regarding office holder remuneration do not however apply to Members Voluntary Liquidations (MVL's), Company Voluntary Arrangements (CVA's) or Individual Voluntary Arrangements (IVA's). In MVL's, the company members agree the fee basis, usually as a fixed fee. In VA's, the fee basis is incorporated in the arrangement proposal which creditors agree when they approve the arrangement.

Office holders remuneration is subject to VAT with the exception of VA's which are VAT exempt.

The Firm has five grades of staff (including the office holder) as detailed below. The office holder ensures that case assignments have been carried out by appropriate grades of staff. The charge-out rates of the persons involved in this case from commencement to the current time are as follows:-

	<i>Charge-out rate at commencement (up to £ per hour)</i>
Licensed Insolvency Practitioner	295.00
Director / Senior Manager	200.00
Manager	150.00
Other professionals	135.00
Administrative staff	65.00

Each staff member involved in the case records actual time spent in a computerised time recording system together with a narrative describing the actual work undertaken. Work is analysed by prescribed task descriptors which are recorded under the following standardised categories;

- Administration (including statutory reporting)
- Investigations
- Realisation of assets
- Trading
- Creditors (claims and distribution)

Disbursements:

Disbursements incurred by the office holder in connection with the case must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 - disbursements not requiring approval represent a re-charge to the estate for direct costs, payable to independent third parties, specifically incurred in the administration of the estate. In certain instances these costs were initially met from the firm's resources due to the lack of funds available at the time that payment was due.

Category 2 - disbursements requiring approval, represent a charge to the estate for the costs incurred by the firm specifically in relation to the estate. The basis of payment of category 2 disbursements must be approved by creditors prior to any payment being drawn. It is proposed that payment shall be made in respect of Category 2 disbursements as follows:-

- Mileage will be charged at 45p per mile.
- Other disbursements where the firm makes payment to an external party for an expense incurred wholly, exclusively and necessarily in relation to the insolvent estate, will be recharged at cost.

Disbursements

Elwell Watchorn & Saxton LLP
Case Direct Cost Summary by Analysis Code

All Staff
All Post Appointment Project Codes.

Disb Type		Amount	Adjust
DUC01			
DUCATT HEATING COMPANY			
LIMITED (THE) (In Liquidation)			
C11-Insolvency Bond	(Category 1)	460.00	0.00
Disbursements Category 1		460.00	
Disbursements Category 2		0.00	
Disbursements Total		460.00	
Fee Notes (Disbs Only)		(460.00)	
Write Off/Up		0.00	
Adjustments		0.00	
Provisions		0.00	
Total Outstanding		0.00	