In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up

Companies House

SATURDAY

ABØLQ8Q9

A06 26/03/2022 #263

COMPANIES HOUSE

1 Company details

Company number	0 2 0 3 2 0 7 6
Company name in full	C.M.A. Tools (Burnley) Limited

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

2 Liquidator's name

Full forename(s)	Clive
Surname	Morris

3 Liquidator's address

Building name/number	Heskin Hall Farm
Street	Wood Lane
Post town	Heskin
County/Region	Preston
Postcode	P R 7 5 P A
Country	

4 Liquidator's name ❶

Full forename(s)	
Surname	

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

❷ **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 0 d 5 m 0 m 6 y 2 y 0 y 2 y 0
To date	d 0 d 4 m 0 m 6 y 2 y 0 y 2 y 1

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X X
Signature date	d 2 d 7 m 0 m 7 y 2 y 0 y 2 y 1

LIQ03
Notice of progress report in voluntary winding up

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: Natasha Morris
Company name: Marshall Peters

Address: Heskin Hall Farm
Wood Lane

Post town: Heskin
County/Region: Preston
Postcode: PR7 5PA
Country:
DX:
Telephone: 01257 452021

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

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

C.M.A. Tools (Burnley) Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 05/06/2020 To 04/06/2021 £	From 05/06/2020 To 04/06/2021 £
	HIRE PURCHASE		
16,000.00	Plant & Machinery	NIL	NIL
(19,500.00)	Close Brothers Asset Finance	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
19,116.00	Book Debts	NIL	NIL
27,600.00	Cash in Hand	27,600.00	27,600.00
		27,600.00	27,600.00
	COST OF REALISATIONS		
	Agents/Valuers Fees	2,000.00	2,000.00
	Office Holders Fees	11,000.00	11,000.00
	Preparation of S. of A.	10,000.00	10,000.00
		(23,000.00)	(23,000.00)
	PREFERENTIAL CREDITORS		
(14,439.00)	Employee Hol Pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(70,000.00)	National Westminster Bank PLC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(48,000.00)	Directors	NIL	NIL
(111,528.00)	Employees	NIL	NIL
(2,250.00)	HM Revenue & Customs - Corp Tax	NIL	NIL
(38,805.00)	HM Revenue & Customs - PAYE	NIL	NIL
(15,000.00)	HM Revenue & Customs - VAT	NIL	NIL
(186,990.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(444,796.00)		**4,600.00**	**4,600.00**
	REPRESENTED BY		
	Vat Receivable		4,600.00
			4,600.00

Clive Morris
Liquidator

ANNUAL PROGRESS REPORT

C.M.A. Tools (Burnley) Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

© Resources for IPs LLP 2017

Content

- Executive Summary
- Administration and Planning
- Enquires and Investigations
- Realisation of Assets
- Creditors
- Fees and Expenses
- Creditors' Rights
- EC Regulations
- Conclusion

Appendices

- Appendix I - Statutory Information
- Appendix II – Receipts and Payments account for the period 05 June 2020 to 04 June 2021 ("the Review Period")
- Appendix III - Detailed list of work undertaken in the Review Period
- Appendix IV - Time cost information for the Review Period

© Resources for IPs LLP 2017

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

Asset	Estimated to realise per Statement of Affairs (£)	Realisations to date (£)	Anticipated future realisations (£)	Total anticipated realisations (£)
Plant & Machinery	Nil	Nil	Nil	Nil
Book Debts	19,116.00	Nil	Uncertain	Uncertain
Cash in Hand	27,600.00	27,600.00	Nil	Nil

Expenses

Expense	Amount per fees and expenses estimates (£)	Fees and expenses charged to date (£)	Fees and expenses incurred to date (£)	Anticipated further expense to closure (£)	Total anticipated fees and expenses to be incurred (£)
Preparation of S. of A.	10,000.00	10,000.00	10,000.00	Nil	10,000.00
Liquidator's fees	40,000.00	11,000.00	13,705.00	Uncertain	Uncertain
Liquidator's expenses	630.00	Nil	530.00	Nil	530.00
Agents' fees	2,000.00	2,000.00	2,000.00	Nil	2,000.00

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	Nil	Nil
Preferential creditors	Nil	Nil
Unsecured creditors	Nil	Nil

Summary of Key Issues Outstanding

- Ongoing correspondence with the Pension Regulator and the Company's pension provider, namely Aviva Life & Pensions UK Limited, regarding the winding up of the scheme;
- Await VAT reclaim from HM Revenue & Customs;
- Await the Redundancy Payments Office's final claim in the Liquidation.

Closure

Due to the issues outstanding as listed above, it is difficult to estimate the timing of the closure of the Liquidation.

© Resources for IPs LLP 2017

ADMINISTRATION AND PLANNING

Statutory Information

Statutory information may be found at Appendix I.

The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

Reporting

The Liquidator has met his statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- The S100 Report to creditors;
- CDDA Report.

Other Administration Tasks

During the Review Period, the following material tasks in this category were carried out:

- Case reviews;
- Bond reviews;
- Creditor claim adjudication;
- Bank statement analysis;
- Investigations into the Company;
- Creditor communication;
- Issuing nil returns to HM Revenue & Customs;
- Ongoing communication with HM Revenue & Customs;
- Ongoing communication with the Redundancy Payments Office;
- Ongoing correspondence with the Pension Regulator and the Company's pension provider, Aviva Life & Pensions UK Limited;
- Submission of RP14 & 14A;
- Submission of S120 Notice to relevant parties;
- De-registering the Company in relation to VAT.

ENQUIRES AND INVESTIGATIONS

During the Review Period, the Liquidator carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the Director(s) by means of a questionnaire; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The Director(s) provided some records and a Statement of Affairs.

© Resources for IPs LLP 2017

The information gleaned from this process enabled the Liquidator to meet his statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment has been completed and the Liquidator did not identify any further assets or actions which might lead to a recovery for creditors.

Although this work did not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

REALISATION OF ASSETS

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Liquidator formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Transactions with Connected Parties
Since the Liquidator's appointment a sale to a connected party has not occurred.

Plant & Machinery
There were two machines subject to finance with Close Brothers Asset Finance ("Close Brothers") that were in the Company's possession prior to Liquidation. The machines held a combined value of £16,000. The Directors confirmed that Close Brothers were owed £19,500 against this, resulting in the machinery having negative equity.

The Liquidator notified Close Brothers of his appointment and they have submitted a claim for the shortfall and, as a result, no assets were realised in this regard.

Cash in Hand
The unencumbered plant and machinery was sold to an unconnected company, N D C International Limited, on 29 May 2020 for £23,000 plus VAT on an invoice basis and this was paid in full prior to the appointment of the Liquidator. Upon appointment, this was transferred to a designated estate account in the Company name.

The assets were valued for £30,380 by an independent valuing agent, Cerberus Asset Management. The agent stated that taking into consideration the cost of removal of the assets, they consider the sale value of £23,000 plus VAT to be fair.

Book Debts
Prior to the Liquidator's appointment, the Director advised that the Company's debtor ledger totalled £38,232 which was reflected as the book value in the Statement of Affairs, this was reduced by 50% for the estimate to realise value to allow for a general provision due to invalid warranties.

Upon appointment, the Liquidator undertook a thorough review of the ledger and concluded that £27,600 of the debtors in the ledger referred to the sale of the Company's assets which had already

© Resources for IPs LLP 2017

been accounted for in the Director's Statement of Affairs. As a result, the actual ledger totalled £10,632 with £5,316 being realisable at the date of Liquidation.

Debtors are currently being disputed due to issues relating to the warranties in their contracts that can no longer be fulfilled and, as a result, it is unlikely a realisation will be made in this regard. However, creditors will be updated as matters progress.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured Creditors
The Company granted a debenture to National Westminster Bank Plc. This charge was created on 17 October 1986 and delivered on 29 October 1986. The bank was shown to be owed £70,000.00 as per the Statement of Affairs. A claim of £70,039.03 has been received.

Preferential Creditors
Employee claims
21 employees were made redundant on 26 May 2020. The relevant information for employees to submit claims has been made to the Redundancy Payments Office and information and help has been given to employees to enable them to submit their claims online.

Employees were shown to be owed £14,439 for the preferential element of their claims. The Redundancy Payments Office are yet to submit a claim in the Liquidation.

Floating Charge Creditors
The prescribed part only applies where the company has granted a floating charge to a creditor after 15 September 2003. Where a floating charge over the company's assets has been given a prescribed amount of the company's net property after paying the preferential creditors must be made available to the unsecured creditors and the basis of this calculation is detailed below:-

50% of the first £10,000 of the net property; and
20% of the remaining net property up to a maximum of £600,000 or an £800,000 limit where the relevant floating charge was created on or after 06 April 2020.

Based on present information, the Liquidator estimates that there will be insufficient realisations to discharge in full all costs and preferential claims. Therefore, there will be no net property from which to deduct a prescribed part.

Unsecured Creditors
As per the Statement of Affairs, HMRC were shown to be owed £2,250 (Corp Tax), £38,805 (PAYE) and £15,000 (VAT). Claims totalling £2,270.50 (Corp Tax) and £61,191.55 (PAYE) have been received.

The trade and expense creditors as per the Statement of Affairs totalled £186,990. To date, claims totalling £40,928.76 have been received, which includes Close Brothers' claim of £1,872.82 for the shortfall on the financed machinery. Please be advised that proofs of debt are still being received and therefore the total value of unsecured claims is not known at present.

© Resources for IPs LLP 2017

The Directors were shown to be owed £48,000 as per the Statement of Affairs, claims totalling this amount have been received.

The employees were shown to be owed £111,528 for the unsecured element of their claims. As detailed above, The Redundancy Payments Office are yet to submit a claim in the Liquidation.

Dividend Prospects
The Liquidator confirms that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

FEES AND EXPENSES

Pre-Appointment Costs
The creditors authorised the fee of £10,000 plus VAT for assisting the directors in calling the relevant meetings and with preparing the Statement of Affairs on 05 June 2020.

The fee for assisting with the Statement of Affairs and meetings was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

The Liquidator's Fees
It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and director then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or director.

The basis of the Liquidator's fees was approved by creditors on 05 June 2020 in accordance with the following resolution:

"The Liquidator's fees be charged on a time cost basis and must not exceed £40,000"

The time costs for the Review Period total £13,705, representing 57.50 hours at an average hourly rate of £238.35. The sum of £11,000.00 has been drawn on account of time costs incurred. The time costs for the period are detailed at Appendix IV.

Having regard for the costs that are likely to be incurred in bringing this liquidation to a close, the Liquidator considers that:

- the original fees estimate is unlikely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded.

Disbursements
Category 1 disbursements represent the simple reimbursement of actual out of pocket payments made in relation to the assignment. The category 1 disbursements incurred for in the Review Period total £530 and are detailed at Appendix II. No category 1 or 2 disbursements have been charged.

Information about this insolvency process may be found on the R3 website http://www.creditorinsolvencyguide.co.uk/. A copy of 'A Creditors' Guide to Fees' together with the firm's charge-out rate and disbursement policy may be found at **http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees** . A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request.

© Resources for IPs LLP 2017

Other Professional Costs

Agents and valuers
Cerberus Asset Management were instructed as valuers in relation to the unencumbered assets. Their costs were agreed on a fixed fee basis and totalled £2,000 and have been paid in full.

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 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 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 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

EC REGULATIONS

The Company's centre of main interest was in Belle Vue Mill, West Gate, Burnley, BB11 1SD (registered office and trading address). The proceedings flowing from the appointment are COMI proceedings to which the EU Regulation as it has effect in the law of the United Kingdom does not apply, as the company's registered office and centre of main interests are within the United Kingdom.

CONCLUSION

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

Summary of Key Issues Outstanding

- Ongoing correspondence with the Pension Regulator and the Company's pension provider, namely Aviva Life & Pensions UK Limited, regarding the winding up of the scheme;
- Await VAT reclaim from HM Revenue & Customs;
- Await the Redundancy Payments Office's final claim in the Liquidation.

If you require any further information, please contact this office.

Signed _____
Clive Morris
Liquidator

© Resources for IPs LLP 2017

Appendix I

Statutory Information

Company Name:	C.M.A. Tools (Burnley) Limited
Company Number:	02032076
Registered Office:	C/O Marshall Peters, Heskin Hall Farm, Wood Lane, Heskin, Preston, PR7 5PA
Former Registered Office:	Belle Vue Mill, West Gate, Burnley, BB11 1SD
Officeholder:	Clive Morris and
Officeholder's address:	Marshall Peters, Heskin Hall Farm, Wood Lane, Heskin, Preston, PR7 5PA
Date of appointment:	05 June 2020

© Resources for IPs LLP 2017

Appendix II

Receipts and Payments account for the Review Period

© Resources for IPs LLP 2017

C.M.A. Tools (Burnley) Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 05/06/2020 To 04/06/2021 £	From 05/06/2020 To 04/06/2021 £
	HIRE PURCHASE		
16,000.00	Plant & Machinery	NIL	NIL
(19,500.00)	Close Brothers Asset Finance	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
19,116.00	Book Debts	NIL	NIL
27,600.00	Cash in Hand	27,600.00	27,600.00
		27,600.00	27,600.00
	COST OF REALISATIONS		
	Agents/Valuers Fees	2,000.00	2,000.00
	Office Holders Fees	11,000.00	11,000.00
	Preparation of S. of A.	10,000.00	10,000.00
		(23,000.00)	(23,000.00)
	PREFERENTIAL CREDITORS		
(14,439.00)	Employee Hol Pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(70,000.00)	National Westminster Bank PLC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(48,000.00)	Directors	NIL	NIL
(111,528.00)	Employees	NIL	NIL
(2,250.00)	HM Revenue & Customs - Corp Tax	NIL	NIL
(38,805.00)	HM Revenue & Customs - PAYE	NIL	NIL
(15,000.00)	HM Revenue & Customs - VAT	NIL	NIL
(186,990.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(444,796.00)		**4,600.00**	**4,600.00**
	REPRESENTED BY		
	Vat Receivable		4,600.00
			4,600.00

Clive Morris
Liquidator

Appendix III

Detailed list of work undertaken for C.M.A. Tools (Burnley) Limited in Creditors' Voluntary Liquidation for the Review Period

Below is detailed information about the tasks undertaken or to be undertaken by the Liquidator.

General Description	Includes
Statutory and General Administration	Setting up the case onto the IPS system and maintaining physical file
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns Quarterly VAT returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Pension scheme	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified Instructing agents to wind up any pension scheme Liaising and providing information to be able to finalise winding up the pension scheme
Reports	Circulating initial report to creditors upon appointment Preparing annual progress report and general reports to creditors
Meeting of Creditors	Preparation of meeting notices, proxies/voting forms and advertisements notice of meeting to all known creditors Collate and examine proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following meeting Issuing notice of result of meeting.
Investigations	Conduct initial investigation into the Directors conduct and submitting the subsequent Conduct Report
SIP 2 Review	Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's available books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service
Realisation of Assets	Realising the assets of the Company
Plant and Equipment	Liaising with valuers and interested parties Reviewing asset listings Liaising with secured creditors and landlords
Debtors	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers Dealing with disputes, including communicating with directors/former staff
Creditor	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post

© Resources for IPs LLP 2017

General Description	Includes
Communication	Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication

© Resources for IPs LLP 2017

Appendix IV

Time cost information for Review Period

© Resources for IPs LLP 2017

Time Entry - SIP9 Time & Cost Summary + Cumulative

C139 - C.M.A. Tools (Burnley) Limited
All Post Appointment Project Codes
From: 05/06/2020 To: 04/06/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Administration & Planning	4.00	8.00	8.00	1.00	21.00	6,460.00	307.62	21.00	6,460.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	14.50	1.00	15.50	3,225.00	208.06	15.50	3,225.00
Investigations	0.00	0.00	8.00	13.00	21.00	4,020.00	191.43	21.00	4,020.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Statutory Reporting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours / Costs	**4.00**	**8.00**	**30.50**	**15.00**	**57.50**	**13,705.00**	**238.35**	**57.50**	**13,705.00**
Total Fees Claimed						**11,000.00**			
Total Disbursements Claimed						**0.00**			