

Liquidator's Progress Report

S.192

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

To the Registrar of Companies

Company Number

05523001

Name of Company

(1) Insert full
name of company

(1) NORTHERN PLASTICS

Limited

(2) Insert full
name(s) and
address(es)

~~[(1)]~~ (2) DAVID SIMON MATTHEW EDWARDS
5-7 GROSVENOR COURT, FOREGATE STREET, CHESTER, CH1 1HG

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 17 12 2015
to 16 12 2016

Signed



Date 14 February 2017

Presenter's name,
address and
reference
(if any)

Aaron & Partners LLP
5-7 Grosvenor Court
Foregate Street CH1 1HG
DX 19990 Chester
Ref: JLC NOR81 2

FRIDAY



A24 17/02/2017 #388
COMPANIES HOUSE

Liquidators' Progress Report
Pursuant to Insolvency Rule 4.49C

Company Name: Northern Plastics Limited (in liquidation)

Company number: 05523001

This Report has been prepared for the sole purpose of updating Creditors and Members. The Report is private and confidential and may not be relied upon, referred to, reproduced quoted from, in whole or in part, by Members or Creditors for any purpose other than informing them, or any other person for any purpose whatsoever.

The Liquidator acts as an agent of the Company without personal liability.

**Liquidators Report to Creditors, Members and Companies House
provided pursuant to section 104A (1) and rule 4.49C
for the period 17 December 2015 to 16 December 2016**

Northern Plastics Limited "The Company"

Company Number 05523001

Registered office: 5-7 Grosvenor Court, Foregate Street, Chester, CH1 1HG

To Creditors, Members and Registrar of Companies

This report is prepared pursuant to Rule 4 49C of the Insolvency Rules and section 104A of the Insolvency Act 1986. This is the Liquidator's progress report which outlines the position as at 16 December 2016.

Background

The Company was a private limited company trading in the design, manufacture and distribution of industrial plastic products.

The Company entered a Voluntary Arrangement on 18 April 2013. The Supervisors were Andrew MacKenzie and Robert Maxwell of Begbies Traynor Group.

The Company had high levels of historic debt, having made significant trading losses prior to the Voluntary Arrangement. The Company was not able to make all payments required under the Voluntary Arrangement. Following a warning from HMRC that a petition for winding up would be presented if arrears were not cleared, 1878 Workshops LLP ("1878") as holder of a floating charge over all Company assets demanded repayment of its loans. When the Company could not do so, 1878 appointed David Simon Matthew Edwards as Administrator.

The Company entered Administration on 3 February 2014. The Administrator had had no involvement in the Voluntary Arrangement. The Voluntary Arrangement was terminated by the Supervisors with effect on 3 February 2014.

On 17 December 2014 the Company was placed into Creditors Voluntary Liquidation in order to effect distribution to unsecured creditors of the amount set aside from realisation of assets subject to a floating charge pursuant to section 176A (the Prescribed Part).

Previous Reports to Creditors

Copies of previous reports on the Administration and Liquidation will be sent by post or email upon request to amy.spreyer@aaronandpartners.com or by telephoning 01244 405564 and asking for Amy Spreyer or by writing to the Liquidator at Aaron & Partners LLP, Grosvenor Court, Foregate Street, Chester CH1 1HG quoting reference JLC ACS NOR81 2.

Assets

At commencement of the Liquidation on 17 December 2014 there were apparently no assets for realisation, other than recoverable VAT. Tasks to be effected by the Liquidator included filing of statutory returns such as corporation tax and a first and final distribution to unsecured creditors of the amount set aside from realisation of assets subject to a floating charge pursuant to section 176A (the Prescribed Part).

After commencement of the Liquidation, the Liquidator learned of a potential claim of Bad Debt Relief totalling £12,847.92. A claim was duly made and recovery of £4,282.64 was allowed by HMRC.

In addition, the Liquidator received notice from the liquidator of Odour Control Systems Ltd of the Company's entitlement to dividend as creditor of that company. An interim dividend of £216.52 (being 1p / £) was received prior to this report period. The Liquidator was informed that a second and final dividend in the liquidation of Odour Control Systems Ltd may be made later in this report period.

Neither of these assets were on the Statement of Affairs which in view of their nature and size is not considered to be a material oversight.

Progress during the report period

- 1 VAT amounting to £1,334.60 was recovered, bringing the amount of VAT recovered in the Liquidation to £4,333.25. Further VAT recovery is expected before conclusion of the Liquidation.
- 2 The Liquidator received notice that no further dividend would be made in the liquidation of Odour Control Systems Ltd.
- 3 In the director's statement of affairs prepared as at the date of the Administration it was estimated that there were no preferential creditors. It is confirmed that no preferential creditor claims were received.
- 4 According to information provided by the director unsecured non preferential creditors were estimated at £1,392,120.37 as at the date of the Administration. This including estimated HMRC debt of £1,313,409.75 including Ardeth Group liabilities for which the Company was jointly and severally liable. For the purposes of dividend the Liquidator admitted unsecured non preferential claims with a value of £1,345,253.57 including a claim from HMRC of £1,330,256.91.
- 5 The Prescribed Part set aside from realisation of assets subject to a floating charge pursuant to section 176A of the Insolvency Act 1986 was £29,259.17. From this was deducted costs of £2,586.00 for verifying claims and distributing to unsecured non preferential creditors. The sum of £26,673.17 was therefore distributed to unsecured non preferential creditors, being 1.98 pence in the pound.
- 6 The distribution to unsecured non preferential creditors was declared on 31 May 2016.
- 7 In addition, an interim distribution of £11,000 was made on 9 September 2016 to 1878 Workshops LLP as floating charge holder.

- 8 The Liquidator currently holds £8,896 63 for the purposes of defrayment of final costs in the Liquidation and the balance for distribution to the floating charge holder
- 9 Funds in this Liquidation have been held in a designated deposit account in accordance with best practice Interest on funds held has been credited to the account, totalling £85 52 in the report period, being a total of £100 30 in the Liquidation to 16 December 2016

Liquidator's Fees and Disbursements

A summary of receipts and payments in the Liquidation during the report period appears at appendix 2

Time Costs and Fees Drawn to Date

The Liquidator was formerly Administrator of the Company and the basis of his remuneration was set out in the Statement of Proposals dated 28 March 2014 and approved by creditors on 10 April 2014, being by reference to the time properly given by the office holder and his staff to matters arising in the administration

Details of how to obtain a copy of the Statement of Proposals and any other relevant documentation are at page 2 of this report

Office holder remuneration in the report period was £5,478 50 and cumulative remuneration from commencement of the Liquidation to 16 December 2016 amounted to £8,550 00 excluding VAT

Office holder remuneration in the Administration amounted to £14,049 00 excluding VAT Pre-appointment fees incurred prior to the Administration were £4,983 40 excluding VAT

Cumulative office holder remuneration in this case is £27,582 40 excluding VAT, including pre-appointment fees, Administrator's fees and Liquidator's fees to end of report period

Expenses

During the report period Corporation Tax of £1,065 30 was paid

No other disbursements have been incurred or paid in this period

In the prior period of the Liquidation a disbursement of £75 50 plus VAT was paid for statutory advertising Prior to the Liquidation, expenses in the Administration totalled £447 26 excluding VAT Pre-appointment expenses totalled £7 56 excluding VAT

Cumulatively, expenses in this case total £1,595 62 excluding VAT

Analysis of Time Spent in the Liquidation

A time cost summary (in SIP9 format) for the report period is at Appendix 3 and cumulatively for the Liquidation is at Appendix 4 These may include time spent in the relevant period but not yet billed The following is a narrative description of time spent in each category

a) Administration and Planning

This includes dealing with the statutory filing of appointment documents with Companies House and the Court, the submission of corporation tax return to HMRC, VAT recovery, reviewing office holder bond together with day to day administration duties. These include, but are not limited to, handling receipts and payments and general correspondence

b) Investigations

No costs have been incurred in this category as these matters were dealt with prior to this report period

c) Realisation of Assets

Communications the office of the Liquidator of Odour Control Systems Ltd

d) Trading

No costs have been incurred in this category as the Company ceased to trade before Administration

e) Creditors

This includes statutory reporting to creditors, dealing with queries and claims from creditors and correspondence, together with a distribution to unsecured non preferential creditors

f) Case Specific Matters

No costs have been incurred in this category

Summary of Time Charge out Rates

A table of charge out rate bands appears at appendix 5 to this report. It is the office holder's policy to ensure work undertaken is carried out by the appropriate grade of staff for each task, having regard to its complexity and the skill and experience required to perform it. A copy of the Creditors Guide to Liquidator's fees is attached which provides further information about fees.

Rules 4.49E and 4.131 of the Insolvency Rules 1986 apply. 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 office holder'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 office holder'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.

Summary

All assets have been realised save for an element of recoverable VAT. It is expected that recoverable VAT will be recovered in full before the Liquidation ends.

The Prescribed Part has been distributed to unsecured, non preferential creditors together with an interim distribution to the floating charge holder.

It is intended that a final meeting will be held in a few weeks' time, taking into account the requirements of Rule 4.49D (draft final report to creditors).

Balance of funds held after costs to conclusion of this matter will be paid to the floating charge holder.

The following documents are attached to this Report

Appendix 1 Statutory Information

Appendix 2 Liquidator's receipts and payments account for the report period

Appendix 3 A time and cost summary (in SIP9 format) for the report period

Appendix 4 A time and cost summary (in SIP9 format) from commencement to 16/12/16

Appendix 4 Charge out rates for Aaron and Partners LLP

Appendix 5 Creditors Guide to Office Holders Remuneration and Expenses

Signed



D S M Edwards (Liquidator)

Date

15 February 2017

Appendix 1 (Statutory Information)

Company Name	Northern Plastics Limited
Registered Address	c/o Aaron & Partners LLP Grosvenor Court Foregate Street Chester CH1 1HG
Liquidator	David Simon Matthew Edwards of Aaron & Partners LLP Grosvenor Court Foregate Street Chester CH1 1HG
I P Reference Number	08244
Date of Appointment	17 December 2014 (as Liquidator) Formerly Administrator from 3/2/2014 to 17/12/2014
Trading Address	Perseverance Works, Dewsbury Road Elland HX5 9AZ
Authorised share capital	£1,000 00
Allotted share capital	£1,000 00
Current Director	Mr Leslie Arthur O'Hare Appointed 30 April 2013
Former Directors (within 3 years of commencement of insolvency)	
	Mr Nicholas William Catt Appointed 11 March 2008 to 15 July 2013
	Mr Andrew James Priestley Appointed 01 March 2013 to 31 May 2013
	Mr Cameron Joseph Varley Appointed 24 August 2011 to 3 October 2012
Shareholder	Ardeth Group Ltd
Subsidiaries	None

**CREDITORS VOLUNTARY LIQUIDATION (FOLLOWING ADMINISTRATION - LIVERPOOL HIGH CT 128 OF 2014)
RE NORTHERN PLASTICS LIMITED
Company Number 05523001**

Appendix 2

**LIQUIDATOR'S SUMMARY OF RECEIPTS AND PAYMENTS
FOR REPORT PERIOD 17 DECEMBER 2015 TO 16 DECEMBER 2016**

COMMENCEMENT OF LIQUIDATION 17 DECEMBER 2014

RECEIPTS

Net funds from Administration of the Company

Bad debt VAT recovery

Book debt

VAT recovery

Deposit account interest

TOTAL RECEIPTS

PAYMENTS

Corporation Tax

Administrator's fees (billed but not yet paid as at 17 12 2014)

Administrator's fees billed 19 12 2014

Liquidator's fees

Disbursements

Statutory Advertisement

VAT on fees & disbursements

TOTAL COSTS

31/5/2016 Dividend declared to unsecured non preferential creditors (1 98p/£)

9/9/2016 Interim distribution to Floating Charge Holder 1878 Workshops LLP

TOTAL PAYMENTS

BALANCE (RECEIPTS LESS PAYMENTS)

FUNDS HELD AS AT 16 DECEMBER 2016 (DEPOSIT ACCOUNT)

Prior period	This period	Cumulative
50,554 18		50,554 18
4,282 64		4,282 64
216 52		216 52
2,998 65	1,334 60	4,333 25
14 78	85 52	100 30
58,066 77	1,420 12	59,486 89
	1,065 30	1,065 30
630 00		630 00
726 00		726 00
3,071 50	5,478 50	8,550 00
75 50		75 50
774 60	1,095 70	1,870 30
5,277 60	7,639 50	12,917 10
	26,673 16	26,673 16
	11,000 00	11,000 00
5,277 60	45,312 66	50,590 26
		8,896 63
		8,896 63

I certify that this is an accurate summary of receipts and payments in the report period and cumulatively in the liquidation to 16 December 2016 and I confirm that I have reconciled my account with the Deposit account

Signed

D S M Edwards

D S M Edwards - Liquidator

Date

15

February 2017

Classification of work function	HOURS				Clerk **	Total Hours	Time Cost	Average Hourly Rate
	Liquidator	Manager						
Administration and Planning	0 8 £265 00	10 50 2,208 00			0 0	11 3	£2,473 00	£218 85
Investigations	0 £0 00	0 £0 00			0 0	0	£0 00	£0 00
Realisation of Assets	0 00 £0 00	0 20 £41 00			0 0	0 2	£41 00	£205 00
Trading	0 0	0 0			0 0	0	0	0
Creditors	0 6 £201 00	13 8 £2,856 50			2 220 00	16 4	£3,277 50	£199 85
Case Specific Matters	0 0	0 £0 00			0 0	0	£0 00	£0 00
Total Hours	1 4	24 5			2	27 9		
Total fees claimed £	£466 00	£5,105 50			£220 00	£5,791 50		
Average Hourly Rate	£332 86	£208 39			£110 00	£207 58		

** No charge is made for secretarial support

Classification of work function	HOURS				Clerk **	Total Hours	Time Cost	Average Hourly Rate
	Liquidator / Partner	Manager						
Administration and Planning	4 5 £1,058 50	13 40 2,765 00			0 0	17 9	£3,823 50	£213 60
Investigations	0 1 £32 00	1 5 £285 00			0 0	1 6	£317 00	£0 00
Realisation of Assets	0 20 £39 50	2 90 £560 00			0 0	3 1	£599 50	£193 39
Trading	0 0	0 0			0 0	0	0	0
Creditors	3 4 £775 00	18 7 £3,837 50			2 220 00	24 1	£4,832 50	£200 52
Case Specific Matters	0 0	0 £0 00			0 0	0	£0 00	£0 00
Total Hours	8 2	36 5			2	46 7		
Total fees claimed £	£1,905 00	£7,447 50			£220 00	£9,572 50		
Average Hourly Rate	£232 32	£204 04			£110 00	£204 98		

** No charge is made for secretarial support

Appendix 5

Charge out rates for Aaron & Partners LLP

FILE

NO: NOR81.2

NAME:

Northern Plastics Limited in liquidation

Rates are per hour and exclude VAT

	From Jul-13	From Jun-14	From Jun-15	From Jun-16
Liquidator	330	330	330	340
Partner	225-275	185 - 320	200 – 320	200 – 320
Solicitor	160-210	120 - 220	120 – 220	120 – 220
Clerk	110-130	110 - 150	110 – 150	110 – 150