

**In the Matter of Classic Restorations (Cornwall) Limited
And in the Matter of the Insolvency Act and Rules 1986**

Company Number: 06846247
Trading As: Classic Restorations (Cornwall) Limited
Formerly: None known
Registered Office: C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU
Trading Address: Hawken Manor, St Breward, Bodmin, Cornwall, PL30 4NX

In accordance with Rule 4.106, we, Eric Walls and Wayne Harrison of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, give notice that on 24 February 2011 we were appointed joint liquidators of Classic Restorations (Cornwall) Limited by resolutions of members and creditors.

Notice is hereby given that the creditors of the above named company, which is being voluntarily wound up, are required, on or before 31 May 2011 to send in their full forenames and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned E Walls (IP No. 9113) and W Harrison (IP No. 9703) of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, Alternative Contact: E Walls, insolvency@ksagroup.co.uk, 0191 482 3343, the joint liquidators of the said company, and, if so required by notice in writing from the said joint liquidators, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution.

Dated: 3 March 2011

E Walls
Joint Liquidator of Classic Restorations (Cornwall) Ltd

Classic Restorations (Cornwall) Limited – In Liquidation

Report To a Meeting Of Creditors Held Pursuant To Section 98 Of The Insolvency Act 1986
At The Great Western Hotel, St David's Approach, St David's, Exeter, EX4 4NU
On 24 February 2011 At 12.30



1. Statutory Information

1.1 Detailed below is information extracted either from the statutory books of the company or from records held by the Registrar of Companies.

Previous Names: None Known

Company Number: 06846247

Date of Incorporation: 13/03/2009

Registered Office: was Hawken Manor, St Breward, Bodmin, Cornwall, PL30 4NX but recently changed to C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU

Shareholding: 100 Ordinary Shares of £1 each, all of which have been fully issued and paid

Shareholders: Gareth Chesebrough £1 Ordinary Shares
100

Directors: Gareth Chesebrough

Nature of Business: Building Installation

Trading Address: Hawken Manor, St Breward, Bodmin, Cornwall, PL30 4NX

2. History of the Company

2.1 The company was incorporated on 13 March 2009 and was taken over by the current director in December 2009 and operated as a building and restoration firm. The company began trading as 'Classic Restorations Cornwall Limited' on 4 January 2010.

2.2 At the time the director took control of the company from the previous owner the company was suffering financial problems and had no cash reserves. The director built up the company from this point relying on a £9000 overdraft to establish trade accounts. The company began to secure new contracts and started to bring in more custom.

2.3 In April 2010 the company become involved in an employment tribunal with an employee of the companies previous owner. The tribunal lasted 3 months and in June 2010 resulted in a loss of £10,000 to the company. This hit the company's reserves and resulted in the director relying heavily on the company's overdraft once again.

2.4 In July 2010 the company had been carrying out a large roofing contract which would have brought in enough funds to get the company back on track. However the contract came under dispute and an invoice for £9,500 was not settled, the dispute has still not been resolved.

2.5 By August 2010 the company was forced to take low material, high labour work to survive. While this meant the company could continue to operate in the short term it did not have the reserves to carryout larger long term contracts, resulting in the company living from week to week. The high labour jobs resulted in a VAT bill of £6,000 in December 2010 which the company could not afford to settle. This was compounded by a barn conversion

job been delayed towards the end of December. The company continued to pay wages despite not having the income from the project resulting in more pressure been placed on the company's funds.



2.6 The lack of work and high costs meant the company was unable to meet creditor's payments as and when they fell due. With this in mind a meeting was arranged with representatives of KSA Group Ltd. Based on financial information provided by the director it was evident that the company was insolvent. Having been so advised the director's felt they had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.

2.7 The director considers that the main reasons for the company's failure were as follows:

1. The loss of £10,000 through the employment tribunal left the company without the cash reserves to carryout long term contracts; and
2. Low material and high labour work led to a large VAT demand the company was unable to settle.

3. Meetings of Members and Creditors

3.1 At a meeting of the board of directors held on 10 February 2011 it was agreed that meetings of members and creditors should be summoned for the purposes of placing the company into Creditors Voluntary Liquidation. Notices were signed summoning the meetings for 24 February 2011. The notices were issued to shareholders and creditors on 10 February 2011.

3.2 Accordingly, on 24 February 2011 at a meeting of the shareholders, duly convened at The Great Western Hotel, St David's approach resolutions were passed placing the company into Voluntary Liquidation and appointing E Walls and W Harrison, who are licensed to act as an insolvency practitioners by the Insolvency Practitioners Association, joint liquidators.

3.3 Prior to being asked to advise the director on the affairs of the company the partners and staff of KSA Group Limited had had no material professional relationship with either the company, its director or shareholders.

4. Transactions with Associated Companies or Trading Organisations

4.1 There are no known associated companies or trading organisations.

5. Extracts from Accounts and other Financial Information

5.1 No accounts have been prepared for the company.

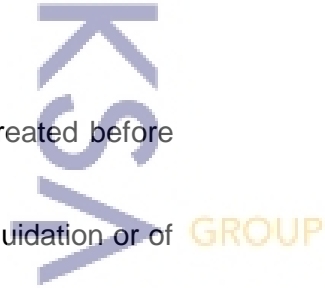
6. Statement of Affairs

6.1 The statement of affairs of the company as at 24 February 2011, has been prepared by the directors and is included with this report. The original affidavit accompanying the statement of affairs was sworn by Gareth Chesebrough. A summary of the statement of affairs is attached to this report, along with accompanying notes, and an estimated deficiency account in respect of the final period of trading.

6.2 As a result of The Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs in respect of PAYE, NIC and VAT, was abolished. This change in legislation also introduced provisions for the liquidator to set aside a certain proportion of the company's net property to deal with the claims of unsecured creditors in advance of the claims of the holder of a floating charge. This is known as the Prescribed Part. **These provisions only apply if a floating charge was created after implementation of The Enterprise Act on**

15 September 2003. In the case of this company no floating charge was created before The Enterprise Act was implemented.

6.3 The statement of affairs takes no account of the cost and expenses of the liquidation or of realising the company's assets.



7. Business conducted at the meeting

- 7.1 No creditors attended the meeting and two proxies had been received in favour of the chairman. One special proxy was received for the appointment of E Walls and W Harrison of KSA Group Ltd.
- 7.2 The chairman opened the meeting and W Harrison of KSA Group Ltd, who had been appointed liquidator of the company by the shareholders of Classic Restorations (Cornwall) Limited, presented a brief report to the meeting and reviewed the statement of affairs of the company which had been drawn up to the date of liquidation on his behalf.
- 7.3 There being no further issues raised by the creditors the chairman moved to the formal business of the meeting. Accordingly, creditors approved the following resolutions:
- the appointment of E Walls of KSA Group Ltd, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, was confirmed.
 - a creditors' committee was not established.

In the absence of a creditors committee:

- The meeting was informed that an agreed fee of £4,500 plus VAT plus disbursements will be paid to KSA Group Limited in respect of the costs of assisting the director in preparing the statement of affairs and summoning and holding the meetings of members and creditors. The meeting was also informed that KSA Group Ltd had received funds of £6,700 made up from third party funds.
- it was agreed that liquidator's remuneration would be calculated by reference to time costs incurred by the liquidator and his staff and authorisation was given for the liquidator to draw remuneration on account of those time costs when he felt it was appropriate.
- The liquidator informed the meeting that the current charge out rates for staff likely to deal with matters pertaining to this liquidation were as follows:

	£ per hour
Administrators	40 – 100
Managers	100 – 175
Partners	175 – 300

- It was agreed that all disbursements incurred by the liquidator's firm should be reimbursed at direct cost save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor would be levied, and motor travel where a charge of 50p per mile would be made.
- it was agreed that the level of the liquidator's specific performance bond should be set at £10,000

Insolvency Act 1986

Classic Restorations (Cornwall) Ltd
Estimated Statement Of Affairs as at 24 February 2011



	Book Value £	Estimated to Realise £
ASSETS		
Motor Vehicles	500.00	500.00
Book Debts	8,516.19	1,300.00
		<u>1,800.00</u>
LIABILITIES		
PREFERENTIAL CREDITORS:-		
		NIL
		<u>1,800.00</u>
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003 OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
		NIL
		<u>1,800.00</u>
Estimated prescribed part of net property where applicable (to carry forward)		
		NIL
		<u>1,800.00</u>
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003		
		NIL
		<u>1,800.00</u>
Estimated prescribed part of net property where applicable (brought down)		
		NIL
		<u>1,800.00</u>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors		44,645.91
Employees - Est		16,200.00
Lloyds Bank plc		9,243.00
		<u>70,088.91</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		
		(68,288.91)
		<u>(68,288.91)</u>
Issued and called up capital		
Ordinary Shareholders		100.00
		<u>100.00</u>
TOTAL SURPLUS/(DEFICIENCY)		<u><u>(68,388.91)</u></u>

Classic Restorations (Cornwall) Limited – In Liquidation

Notes to the Estimated Statement of Affairs



1. Amounts due to Lloyds Bank plc

1.1 The amount due to Lloyds Bank plc is in respect of the company's overdraft.

1.2 The bank holds the following security in respect of the company's indebtedness:

- Personal guarantees given by Gareth Chesebrough .

2. Book Debts

2.1 The book value figure for debtors has been taken from the books and records of the company as at the date of liquidation. In assessing the amounts estimated to realise the directors have:

- Written off those debts which are known, or are thought to be, irrecoverable.
- Applied a further general provision in respect of book debts of 20%.

2.2 The directors have valued the book debts on this basis in order to present a prudent view of the affairs of the company. Following liquidation the liquidator will endeavour to collect all amounts due to the company.

3. Amounts Due to Employees

3.1 In some instances it has been necessary to estimate the amounts due to employees in respect of arrears of wages, holiday pay, pay in lieu of notice and redundancy.

4. Trade and Expense Creditors

4.1 Details of amounts due to creditors have been taken from the books and records of the company. Inclusion in the statement of affairs of the company does not constitute agreement that these amounts are, or were at any time, owed by the company and does not entitle a creditor to participate in any future distribution.

5. Costs and Expenses of Liquidation and Asset Realisation

5.1 The statement of affairs takes no account of the costs and expenses of the liquidation or realising the assets of the company.

KSA Group Ltd
Classic Restorations (Cornwall) Ltd
B - Company Creditors

Unsecured Creditors		
Name	Address	£
Ashfords LLP	Ashford House, Grenadier Road, Exeter, EX1 3LH	2,511.06
Atlantic Scaffolding	Barnacott, Kilkhamptom Road, Bude, Cornwall, EX23 9PZ	2,902.25
BT	81 Newgate Street, London, EC1A 7AJ	107.69
Cornwall Council	PO Box 51, Wadebridge, PL27 9BE	1,370.61
Follett Stock LLP	Truo Business Park, Truo, TR4 9NH	2,428.04
HM Revenue & Customs	Euston Tower, 286 Euston Road, London, NW1 3UQ	0
HM Revenue & Customs	HMRC VAT Central Unit, 21 Victoria Avenue, Southend-on-Sea, SS99 1AA	0
HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	17,596.92
HM Revenue & Customs	Queens Dock, Liverpool, L74 4AP	6,074.49
Justin Robertson Limited	T/A Hi-Q Tyreservices, St Austell Street, Truo, Cornwall, TR1 1SE	452.56
Larksmead Joinery	Tamar House, Bude, Stratton Buiness Park, Bude, EX23 8LY	2,015.26
Lloyds TSB	25 Gresham Street, London, EC2V 7HN	9,243.00
Senate	Accounts Office, PO Box 28, Potters Bard, Hertfordshire, EN6 5DU	1,271.72
Totem Timber (St Austell) Ltd	Daniels Lane, Holmbush, St Sustell, Cornwall, PL25 3HS	435.06
Travis Perkins Plc	Head Office, South West Credit Control, Kingsbury Building, Harlestone Road, Northampton, NN5 7UG	4,911.05
Western Electrical Ltd	Plymouth Trade Park, Macadam Road, Cattedown, Plymouth, Devon, PL4 0RU	2,352.00
Yell	One Reading Central, Forbury Road, Reading, Berkshire, RG1 3YL	217.20
Mr Michael Edward Stockley	50 Gloucester Avenue, Carlyon Bay, St. Austell, Cornwall, PL25 3PT	5,400.00
Mr Andrew Robert Moyle	17 Tranquil Lane, Bodmin, PL31 1LT	5,400.00
Mr Wayne Fletcher	50 Gloucester Avenue, Carlyon Bay, St Austell, PL25 3PT	5,400.00
	Total	<u>70,088.91</u>

Classic Restorations (Cornwall) Limited



Estimated Deficiency Account For the period from 13 March 2009 to 24 February 2011.

	£	£
Reserves Balance at 14 March 2009		NIL
Amounts written off for the purposes of the statement		
Book Debts		7,216
		<u>(7,216)</u>
		(7,216)
Extraordinary Items		
Redundancy Pay		<u>(16,200)</u>
		(23,416)
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<u>(44,873)</u>
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<u>(68,289)</u>