

**In the Matter of Sequent Power Services Limited
And in the Matter of the Insolvency Act and Rules 1986**

Company Number: 05810604
Trading As: Sequent Power Services Limited
Formerly: No previous names
Registered Office: 28 Wessex Way, Cox Green, Maidenhead, SL6 3BS
Trading Address: Same as above.

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 hereby give notice that on 23 September 2011 we were appointed joint liquidators of Sequent Power Services 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 December 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 Liquidators of the said company, and, if so required by notice in writing from the said 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: 27 September 2011

E Walls
Joint Liquidator of Sequent Power Services Ltd

Insolvency Act 1986
 Sequent Power Services Limited
 Estimated Statement Of Affairs as at 23 September 2011



	Book Value £	Estimated to Realise £
ASSETS		
Book Debt	1,621.50	1,621.50
Overdrawn Director's Loan Account	141,833.00	Unknown
Plant & Machinery	4,646.00	Nil
		1,623.50
LIABILITIES		
PREFERENTIAL CREDITORS:-		
		NIL
		1,623.50
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003 OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
		NIL
		1,623.50
Estimated prescribed part of net property where applicable (to carry forward)		
		NIL
		1,623.50
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003		
		NIL
		1,623.50
Estimated prescribed part of net property where applicable (brought down)		
		NIL
		1,623.50
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	179,370.14	179,370.14
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		
		(177,746.64)
		(177,746.64)
Issued and called up capital		
Ordinary Shareholders		1.00
		1.00
TOTAL SURPLUS/(DEFICIENCY)		(177,747.64)

Sequent Power Services Limited – In Liquidation

Notes to the Estimated Statement of Affairs



1. Plant and machinery

- 1.1 The company's chattel assets consist of a small amount of plant and machinery. The book value attributed to those assets was taken from the company's most recent set of management accounts for the period 31 May 2011. No professional valuation of these assets has been obtained in order to mitigate cost. The estimated to realise value has been provided by the director and is based on the fact that the majority of the assets have been replaced due to damage and are therefore of minimal value.

2. Book debt

- 2.1 The book value figure for the debtor has been taken from the books and records of the company as at the date of liquidation. The director has estimated the book debt to be fully realisable. Following liquidation the liquidators will endeavour to collect the amount due to the company.

3. Overdrawn director's loan account

- 3.1 The company's most recent set of management accounts show an overdrawn director's loan account of £141,833. Realisations in respect of the overdrawn director's loan account will be dependent on the sale of the director's property. At this stage, the amount likely to be repaid cannot be estimated. Following liquidation the liquidators will endeavour to collect the amount due to the company.

4. Prescribed Part of Net Property

- 4.1 As a result of the Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs, in respect of PAYE, NIC deductions and VAT, was abolished. This change in legalisation 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. **These provisions only apply if the floating charge was created on or after 15 September 2003.** The prescribed part does not apply in this case.

5. Trade and Expense Creditors

- 5.1 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.

6. Costs and Expenses of Liquidation and Asset Realisations

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

Sequent Power Services Limited – In Liquidation

Report To a Meeting Of Creditors Held Pursuant To Section 98 Of The Insolvency Act 1986
At the offices of KSA Group Ltd, Tower 42, Level 7, 25 Old Broad Street, London, EC2N 1HN
On 23 September 2011 at 10.30 am



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:	05810604
Date of Incorporation:	9 May 2006
Registered Office:	Was 28 Wessex Way, Cox Green, Maidenhead, SL6 3BS but recently changed to C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU
Shareholdings:	1 Ordinary Share of £1, which has been issued and fully paid.
Shareholders:	Theron Neil Richardson £1 Ordinary Shares 1
Directors in the last 3 years:	Theron Neil Richardson
Company Secretary:	Anna Richardson
Nature of Business:	Installation, maintenance and testing of voltage power networks
Trading Address:	28 Wessex Way, Cox Green, Maidenhead, SL6 3BS

2. History of the Company

- 2.1 The company was incorporated on 9 May 2006 and began trading shortly thereafter. The company provided installation, maintenance, and testing services to voltage power networks. The company completed contracts throughout the UK.
- 2.2 The initial goal of the company was to increase market share over time, so as to enable it to be “self sufficient” through its core services which in turn would free up time to develop other services. The director identified that the power industry has a major shortage of people with the relevant skills and experience in this area, and that demand for those services would continue to increase in the future.
- 2.3 The majority of the company’s contracts were in the form of High Voltage cable jointing and the associated testing of those cables. The types of contracts undertaken were for power stations, large financial institutions, hospitals, data centres and large construction sites.
- 2.4 The company has historically traded well. However, problems were encountered as the company struggled to gain contracts through a lack of trading history. Over time this position improved and the company began undertaking contracts to a high standard and building up its reputation.
- 2.5 Due to the nature of the contracts the director found that he had to have an extremely high level of concentration for this type of work and often administrative matters to do with the

business were neglected as the director continued to put his efforts into building up the company's reputation and securing contracts. The company had experienced late payments from many customers despite having clearly defined payment terms. This negatively impacted on cash flow and the director found that the majority of his time for administrative tasks was taken up by having to request customers to pay their outstanding invoices.

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- 2.6** Another problem became apparent when the company changed accountants. Through a lack of communication from the company's former accountants the liabilities in respect of HM Revenue and Customs had built up to a level where the company could not repay those liabilities. In addition to this, the effects economic downturn meant that many pending contracts were often delayed, customers were again delaying payment for work already undertaken and due to the company experiencing cash flow difficulties it was unable to invest in new resources to reduce costs.
- 2.7** With little prospect of additional finance and with increasing pressure from creditors, 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. After consulting further with representatives of KSA Group Ltd the director felt he had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.
- 2.8** The director considers that the main reasons for the company's failure were as follows:
1. Loss or long delays to pending contracts;
 2. Later payment from "up-line" contractors; and
 3. Lack of funds to invest in new resources to reduce business costs.

3. Meetings of Members and Creditors

- 3.1** At a meeting of the board of directors held on 31 August 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 23 September 2011. The notices were issued to shareholders and creditors on 2 September 2011.
- 3.2** Accordingly, on 23 September 2011 at a meeting of the shareholders, duly convened at the offices of KSA Group Ltd, Tower 42, 25 Old Broad Street, London, EC2N 1HN resolutions were passed placing the company into Voluntary Liquidation and appointing E Walls and W Harrison, who are licensed in the UK 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 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** A summary of the company's recent financial history is attached to this report.

6. Statement of Affairs

- 6.1** A statement of affairs of the company as at 23 September 2011 has been prepared by the director. 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 period of trading.

6.2 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 one proxy had been received in favour of the chairman.

7.2 The chairman opened the meeting and W Harrison of KSA Group Ltd, who had been appointed joint liquidator of the company by the shareholders of Sequent Power Services 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 and W Harrison 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 £4,000 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 £2,400 including VAT made up from the company's cash at bank, which are being held in the liquidators' client account.
- it was agreed that liquidators' remuneration would be calculated by reference to time costs incurred by the liquidators and their staff and authorisation was given for the liquidators to draw remuneration on account of those time costs when they felt it was appropriate to do so.
- The liquidators 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 liquidators' 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 liquidators' specific performance bond should be set at £10,000

Sequent Power Services Limited
Summary of Recent Financial History

Accounting Information

The following information has been extracted from the company's annual accounts for the years ended 31 May 2009 and 2010, and from management accounts for the period to 31 May 2011

	Management Accounts 31 May 2011 £	Annual Accounts 31 May 2010 £	Annual Accounts 31 May 2009 £
Profit and Loss Account			
Turnover	101,531	80,830	133,693
Gross Profit	81,137	56,742	102,959
Gross Profit Percentage	79.9%	70.2%	77.0%
Directors Remuneration	0	5,712	5,712
Dividends	0	140,000	0
Net profit before Taxation & Dividends	36,673	24,617	62,838
	<hr/>	<hr/>	<hr/>
Balance Sheet			
Fixed Assets	4,646	9,294	14,275
Current Assets	263,283	200,309	345,413
Liabilities	(158,755)	(128,694)	(155,259)
Total Assets Less Liabilities	<hr/> <u>109,174</u>	<hr/> <u>80,909</u>	<hr/> <u>204,429</u>
Issued Share Capital	1	1	1
Reserves	109,173	80,908	204,428
Shareholders Reserves	<hr/> <u>109,174</u>	<hr/> <u>80,909</u>	<hr/> <u>204,429</u>

B - List of Creditors

Unsecured Creditors

Name	Address	£
Eacotts	Grenville Court, Britwell Road, Burnham, Bucks, SL1 8DF	11,344.14
HM Revenue and Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AA	44,000.00
HM Revenue and Customs	Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	113,826.00
Lloyds TSB Bank plc	Ariel House, 2138 Coventry Road, Sheldon, B26 3JW	10,200.00
		<hr/> 179,370.14 <hr/>

Signature _____ Date _____

Sequent Power Services Limited

Estimated Deficiency Account For the period from 1 June 2011 to 23 September 2011.

	£	£
Reserves Balance at 31 May 2011		109,174
Amounts written off for the purposes of the statement		
Plant & Machinery	4,646	(4,646)
	<hr/>	<hr/>
		104,528
Extraordinary Items		(0)
		<hr/>
		109,174
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<hr/>
		(286,921)
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<hr/>
		(177,747)