

**Liquidator's Progress  
Report****S.192****Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

01415973

Name of Company

Pantiles Nurseries Limited

I/We  
Mark Newman  
4 Mount Ephraim Road  
Tunbridge Wells  
Kent  
TN1 1EE

Vincent John Green  
4 Mount Ephraim Road  
Tunbridge Wells  
Kent  
TN1 1EE

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 02/06/2015 to 01/06/2016

Signed



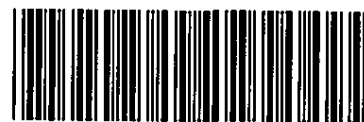
Date

27 July 2016

CCW Recovery Solutions  
4 Mount Ephraim Road  
Tunbridge Wells  
Kent  
TN1 1EE

Ref PAN00002/MN/VJG/JH/ML

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COMPANIES HOUSE

**Pantiles Nurseries Limited  
(in Members' Voluntary Liquidation)  
("the Company")**

**Joint Liquidators' Annual Progress Report to Members for the year  
ending 1 June 2016**

**Statutory Information**

Company Name	Pantiles Nurseries Limited
Registered Number	01415973
Registered Office	4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Former Registered Office	Pantiles Farm, Almners Road, Lyne, Chertsey, Surrey, KT16 0BJ
Joint Liquidators	Mark Newman and Vincent John Green
Liquidators' Address	4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Date of Appointment	2 June 2015

**Period of the Report**

This report covers the period from 2 June 2015, the date on which the liquidation of the Company commenced, to 1 June 2016

**Receipts and Payments Account**

Our receipts and payments account for the period 2 June 2015 to 1 June 2016 is attached at Appendix I. We would provide additional comments as follows

**Receipts**

**Freehold Land & Buildings**

The directors' Declaration of Solvency included an estimated realisable value of £1,000,000 attributed to the freehold land and buildings at Pantiles Farm, Almners Road, Lyne, Chertsey, Surrey, KT16 0BJ, against a book value of £1,250,000. This value included all structures and buildings that were present on site.

With regards to the tenants on site, a formal lease was held by Countrywide, together with informal rent arrangements with the associated company called S G Court Limited. In addition, a Licence to Occupy was held by Nigel Church in connection with a paint business operated by him.

Whilst the formal and informal rent arrangements remained in place, it was necessary for the Joint Liquidators to give notice to Nigel Church that his Licence to Occupy would be concluded at the end of August 2015. After a brief period of successful negotiations, Nigel Church vacated site on 16 September 2015, thereby avoiding the need to incur the cost of instigating legal proceedings to terminate the Licence to Occupy.

Interest was principally received from Dr and Mrs Brown to acquire the freehold land and buildings, who put forward an offer of £1,250,000 to acquire the same.

The Joint Liquidators subsequently employed the services of an independent specialist valuer, Paul Rilett of Frensham Brook Limited ("the Property Agent") registered by the Royal Institution of Chartered Surveyors ("RICS") to prepare a valuation report in support of the Company's interest in the freehold land and buildings.

The Property Agent's valuation report dated 7 September 2015 concluded that the freehold land and buildings carried a value of £1,250,000. Following this advice, the Joint Liquidators accepted the offer put forward by Dr and Mrs Brown.

During this sale process, meetings and discussions were held between the Liquidators, Countrywide, representatives for SG Court Limited and representatives of P&P Partners Limited, in order to address concerns raised by these parties relating to specific site matters. Where possible, risk assessment was undertaken and security matters were addressed.

Rubenstein Phillips Lewis Smith Solicitors were instructed by the Joint Liquidators to assist in the conveyancing of the freehold land and buildings and the sale subsequently completed on 28 September 2015 at £1,250,000

The sale did not attract any VAT because the Company had chosen not to elect the freehold land and buildings for VAT purposes

Dr and Mrs Brown granted consent to a licence for the Joint Liquidators to retain access to the freehold land and buildings for the period 28 September 2015 to 9 October 2015 so that the Joint Liquidators could conclude their duties on site

### **Sales**

During the period 2 June 2015 to 5 September 2015 the Joint Liquidators traded the business, which included physical and internet sales of plant and dry stock from the trading premises in Chertsey, together with sales achieved from the maintenance and landscaping division of the business

During the trading period, total sales of £208,369 were achieved

### **Cash at Bank**

At the date of appointment, total cash held at bank was £130,418

### **Pre-appointment Book Debts**

Book debts relating to the period prior to the commencement of the Liquidation on 2 June 2015, were successfully recovered in the amount of £70,414. These book debts relate to maintenance and landscaping contracts, pre-appointment sales released from internet providers (such as Amazon and Ebay), together with rental income invoiced prior to liquidation

### **Plant & Machinery and Office Equipment**

Following the confirmation of the trading of the business and having established that the purchaser of the freehold property did not wish to purchase any of the assets, a sale of the Company's physical assets was arranged

The final value achieved in connection with the sale of plant and machinery, including all general equipment totalled £43,373. An additional recovery of £407 was achieved in connection with the sale of office furniture as part of the auction

Hilco Global ("Hilco") were instructed to provide valuation advice to the Company and initially attended the trading premises in Chertsey on 9 June 2015. Hilco are registered by the Royal Institution of Chartered Surveyors ("RICS")

In a valuation report prepared by Hilco dated 10 June 2015, the agent provided the following advice concerning the Company's assets, which excluded the plant and dry stock

- £49,965 – assuming an in-situ market value, or
- £23,430 – assuming an ex-situ market value

As the plant and machinery was required to facilitate the ongoing trading of the business, it was not possible to dispose of these assets at the outset of the Liquidation

Instead the Joint Liquidators maintained a schedule of third parties who registered interest in acquiring the plant and machinery, together with all other general assets

During August 2015 it became apparent that a sale of the business as a going concern would not be achieved and with a depleting stock position, Hilco were engaged to action an orderly disposal of all plant and machinery, together with all other general equipment Hilco attended a further meeting at the trading premises on 7 September 2015 once the business had ceased trading

The advice from Hilco was that an auction with an on-line catalogue via their website would serve the most cost effective means to achieve a disposal of the remaining assets, including the residual dry stock, within a timeframe that enabled a separate disposal of the freehold premises prior to 28 September 2015 It was also proposed that the successful bidders would then be responsible to remove all items at their own cost, which would save the Joint Liquidators incurring any unnecessary removal and storage costs

The Joint Liquidators proceeded with this disposal strategy and instructed Hilco to catalogue all unsold assets belonging to the Company and to liaise with all third parties whom the Joint Liquidators had spoken to during the first three months of the Liquidation Hilco also approached various parties within the gardening and landscaping sectors to give notice of the assets available for sale, whilst also advertising the forthcoming auction

Open days (by strict appointment only) were arranged on site over 28 and 29 September 2015 to enable any interested parties to inspect the assets being sold The bidding process subsequently concluded on 29 September 2015

Site visits were arranged and supervised by Hilco and the Joint Liquidators' staff in the period 1 October 2015 to 9 October 2015, during which time all of the assets that had been sold were removed from site

The Joint Liquidators vacated the freehold land and buildings on 9 October 2015 following the removal of the remainder of the assets and conclusion of all ongoing site matters

#### **Rental and Property Income**

The Company has benefitted from rental income of £38,491 in connection with formal and informal rental agreements that the Company held with Countrywide Farmers Plc ("Countrywide") and Mr Nigel Church, together with rent collected from SG Court Limited as a connected company

These rental agreements have since terminated following the sale of the freehold land and buildings in Chertsey (as commented upon above)

#### **Business Rates Refund**

The Company was entitled to the refund of business rates in respect of the freehold land and buildings in Chertsey

Refunds collected in the current reporting period total £9,674

#### **Sundry Refunds**

Sundry refunds in the amount of £5,446 were received by the Company

#### **Residual Stock**

As previously mentioned and with the agreement of the shareholder, the Joint Liquidators traded the business for the period 2 June 2015 to 5 September 2015 in order to maximise the realisable value of stock and to enable interested parties to come forward to acquire the business as a going concern

Whilst attempts at a sale of the business in its entirety was unsuccessful, the trading period enabled the Joint Liquidators to sell the majority of the Company's plant and dry stock via sales to the general public, which provided a better return than would have otherwise been received in a liquidated stock auction. In the final three weeks prior to the cessation of trading, a 50% discount was applied to the retail value of the majority of plant and dry stock.

After the Company had ceased trading on 5 September 2015 the Joint Liquidators were left with plant stock (that was typically older than 12 months and in poor condition), together with residual dry stock.

Local auctioneers, Wellers Auctioneers Limited ("Wellers"), were approached to consider holding an auction of the remaining plant and dry stock in light of historical auctions organised on the Company's behalf. However, the cost implications meant this was not a cost-effective option and a final auction of the residual plant and dry stock was not undertaken.

In addition, the Joint Liquidators approached local trade companies within the retail and landscaping sectors in order to attempt to dispose of the plant and dry stock. However, no interest was received from this marketing strategy as the age and the condition of the remaining plant stock was a concern to these parties. Also the dry stock was of little interest in view of the third parties' existing supplier arrangements.

In light of the above, agents Hilco were consulted by the Joint Liquidators to provide an estimate value for the residual plant stock.

Based on the age and condition of this plant stock, Hilco concluded that the condition of the residual plant stock would likely put off potential purchasers. Hilco advised that the plant stock held an estimate value of £5,000 before accounting for the cost of collection. Hilco advised that the collection costs would render it highly unlikely to yield any net value from a sale of stock. The stock therefore represented a potentially significant liability in terms of clearing the site.

Over the course of the trading period, the Joint Liquidators had maintained a list of third parties who had been interested in the Company's assets and who had acquired large plant purchases. Following successful negotiations with one of these parties, it was agreed that 90 percent of the remaining plant stock would be cleared prior to the 28 September 2015 for a consideration of £750 plus VAT, with the cost of collecting and moving the plant stock being incurred by the purchaser. This offer was accepted by the Joint Liquidators.

Hilco were subsequently instructed by the Joint Liquidators to include the unsold dry stock in an on-line auction, which was carried-out in conjunction with the auction of all plant and machinery owned by the Company.

The auction of the residual dry stock provided a return to the Company of £2,451 plus VAT, which facilitated the clearance of all stock items prior to 9 October 2015.

### **Bank Interest Gross**

Gross interest received from monies retained in the Company's former Lloyds Bank plc account and the Joint Liquidators' Barclays Bank plc account total £553 in the current reporting period.

### **Miscellaneous Income**

Since the outset of the liquidation, the Company has received payments of £104 and £93 from The Horticultural Trades Association, of which the Company was a registered member, and Gazprom Marketing & Trading Limited respectively.

It has not been possible to identify what these payments relate to.

### **Customer List**

In the absence of interest from a third party to acquire the whole business as a going concern, the Joint Liquidators sought to achieve the best possible value for the assets of the Company on a 'break-up' basis. Comprised within the assets was the goodwill attached to the list of maintenance customers.

Efforts were made to liaise with local competitors within the maintenance and landscaping sector to determine whether they held interest in bidding for the customer list. Interest was received from Gavin Jones Group.

Initial negotiations to procure a cash offer were unsuccessful as Gavin Jones Group were not prepared to take on the risk of acquiring a customer list where the customers would have to consent to a transfer of their maintenance contracts. As such, a notional payment of £100 was advanced to the Company to enable the Joint Liquidators to liaise with the customers to advise them of the termination of their existing maintenance contracts with the Company and to propose the services of Gavin Jones Group.

We are currently awaiting sales information from Gavin Jones Group to determine the benefit of maintenance contracts that Gavin Jones Group continue to retain and whether this will give rise to a further recovery for the benefit of the Company.

### **Other Assets**

#### **Book Debts and Outstanding Balances**

Following the cessation of trading, the Joint Liquidators undertook a review of the Company's aged debtor ledger, which included both pre-liquidation book debts and unpaid sales invoices raised after 2 June 2015.

Whilst settlements have been achieved with the majority of the debtors, at present the Joint Liquidators are continuing to pursue recovery of a disputed debt totalling £5,922 due from the Kuwait Embassy, which was a former maintenance customer.

Whilst the Kuwait Embassy has diplomatic immunity thereby preventing any debt recovery proceedings being taken against it, it is hoped that a commercial settlement can be reached for the benefit of the Company.

#### **Top Soil**

It was brought to the Joint Liquidators' attention by certain members of staff that the Company had historically recycled top soil on site under a screening process, which it sold to landscaping customers when required.

Whilst the Company had long since ceased screening top soil for resale purposes, the soil pile to the left-hand boundary of the freehold land had accumulated over recent years. The volume of the soil pile was estimated at 50,000 cubic metres.

As this soil was considered a potential asset the Joint Liquidators approached JGM Management Services Limited to assess the quality and volume of the soil pile for a free consultation. A site visit took place on 24 June 2015 for this purpose.

However, as a result of current environmental legislation, testing requirements and a downturn in the demand for top soil, it was advised that the necessary machinery and man hours required to screen the top soil would give rise to estimated costs of £220,000

The screening and sorting process would also take 25 weeks and a further 12 months lead-in time to dispose of the top soil

In view of the uncertainty as to any net benefit of screening and sale of the top soil, the advice concluded that any future owner of the freehold land may wish to consider their options and instead use the top soil for any future development purposes

### **E-Business**

The Joint Liquidator reviewed the possibility of a sale of the websites and internet business

During the trading period, interest was received from Andrew Coggins (as former manager and employee) to acquire the e-business attached to the 'Plantsforall' website

The Liquidators" approached agents, Metis Partners, who undertook a valuation of the Company's e-business

However, Andrew Coggins retracted his offer during August 2015 and no other offers were received

### **Payments**

#### **Joint Liquidators' Fees**

At the general meeting of members held on 2 June 2015, the following resolution was passed in relation to the Joint Liquidators' on-going fees

"THAT the Joint Liquidators' remuneration shall be fixed on a time costs basis plus VAT "

"THAT the Joint Liquidators will be reimbursed for their necessary disbursements plus VAT, to include but not be limited to, accountancy/legal fees, bond premium and statutory advertising The Joint Liquidators may also recover their Category 2 disbursements "

Our time costs for the period to which this report relates, being 2 June 2015 to 1 June 2016 amount to £164,267 (incorporating pre-appointment time costs incurred in placing the Company into Liquidation) In the period to which this report relates, we have drawn fees of £150,000 plus VAT

In the period from 2 June 2016 to the date of writing this report our time costs amount to £6,234 plus VAT Additional fees totalling £16,692 plus VAT have been discharged in this subsequent period and will be commented upon within the Joint Liquidators' next report

A schedule of our time costs incurred for the period to which this report relates, being 2 June 2015 to 1 June 2016 is attached as Appendix II

The hourly charge-out rates of CCW Recovery Solutions' staff have remained unchanged over the course of this matter, as set out below



	From 02/06/2015 to 01/06/2016
Partner (office holder)	£300
Director	£250
Senior Manager	£210
Manager	£180
Assistant Manager	£165
Insolvency Senior	£150
Insolvency Semi-Senior	£110
Insolvency Cashier	£110
Trainee/Support staff	£60

A sheet setting out charge-out rates and disbursements applicable at the date of this report is attached, together with details of how to obtain guides to insolvency practitioners' fees and best practice, as well as our complaints procedure

Should you require hard copies of any of the electronic documents referred to, please contact this office

A description of the work undertaken in the Liquidation is as follows

1 Work Carried Out in Advance of the Liquidation

- Drafting documents
- Circulating paperwork
- Emails between all the parties and the meetings of members
- Site visits of the trading premises
- Attendance upon the directors and their advisers

2 Administration and Planning

- Preparing documentation required
- Dealing with all routine correspondence
- Dealing with enquiries
- Maintaining physical case files and electronic case details on IPS
- Case bordereau

3 Case Accounting

- Maintaining and managing the liquidators' cashbook and bank account
- Maintaining and managing the Company's bank account
- Ensuring statutory lodgements and tax lodgement obligations are met
- Reconciliation of financial information (including trading information)
- Correspondence and meetings with bookkeeper

4 Statutory Matters

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing reports to members
- Convening and holding meetings of members

- 5     Strategy/Case Review
  - Case planning
  - Periodic case reviews
  - Site meetings with Countrywide, S G Court Limited and P&P Partners Limited
- 6     Tax & VAT
  - Dealing with HM Revenue & Customs correspondence
  - Submission of Tax & VAT forms to HM Revenue & Customs for the Liquidation period
  - PAYE and NI returns
  - Correspondence with Wentworths & Associates Limited
- 7     Legal / Litigation
  - Correspondence with Rubinstein Phillips Lewis Smith regarding the sale of the freehold land and buildings
- 8     Property Related
  - Review of all formal and informal lease arrangements
  - Termination of licence to occupy held by Nigel Church
  - Rent review for all tenants
  - Sale of freehold land and buildings
  - Correspondence with Frensham Brook Limited regarding valuation advice
  - Correspondence with interested parties
- 9     Realisation of Assets
  - Liaising with the Company's bank regarding the closure of its account
  - Correspondence with various interested parties
  - Sale negotiations with interested parties
  - Correspondence with Wellers auctioneers
  - Correspondence with Hilco Global and marketing strategy re assets
  - Realisation of refunds (including business rates)
  - Advice sought from Metis Partners re E-Business
  - Book debt collection
- 10    Trading
  - On site presence and meetings when necessary in Chertsey
  - Overseeing of business and sales strategy
  - Physical sale of stock, including internet sales
  - Overseeing maintenance and landscaping team
  - Trade creditor queries and payments
  - Termination of supplier contracts
  - Meetings with staff to address issues and concern
  - Discussions with landscaping customers (primarily regarding refunds and complaints)
  - Queries raised by on-site tenants
  - Insurance and risk reviews
  - Review of sales information and stock review
  - Disposal of hazardous waste and poisons
- 11    Creditors (incorporating unsecured creditors)
  - Dealing with creditor correspondence and telephone conversations
  - Maintaining creditor information on insolvency case management software
  - Processing a distribution to the unsecured creditors

- 12     Employees (incorporating redundancy)
- Dealing with employee correspondence and queries
  - Maintaining employee information
  - Processing salary payments to the employees
  - Assessment and payments of all redundancy entitlements (including consultation process)
- 13     Shareholders
- Corresponding with the shareholder (including meetings)

#### **Joint Liquidators' Disbursements**

Our total disbursements to the date of this report amount to £3,099 plus VAT. The following disbursements have been paid in full

Category 1 disbursements – Postage £76 and stationery (archive boxes) £284

Category 2 disbursements – Mileage £1,899

Unpaid disbursements total £840 in the current reporting period

#### **Post-Appointment Sundry Expenses**

Payments made by the Joint Liquidators in connection with the ongoing trading, supplier payments and utility charges totalled £84,878

#### **Direct Labour**

In order for the Company to continue trading, it was necessary for the Joint Liquidators to retain the services of the existing staff. The majority of staff continued to be employed up until the beginning of September 2015, after which time redundancies were made by the Joint Liquidators

In the period 2 June 2015 to 5 September 2015 net salary payments made to the employees totalled £84,108

#### **Post-Appointment PAYE / NI**

Payments advanced during the Liquidation to HM Revenue & Customs in relation to PAYE and NI liabilities on the wages paid to employees totalled £31,806

#### **Redundancy Payments**

In the absence of a going concern sale, it was necessary for the employees to be made redundant during August and September 2015

These redundancies gave rise to payments to the former employees totalling £51,227

#### **Motor Vehicle Lease Agreement Termination Charges**

The Company held lease hire agreements with two separate suppliers in respect of certain motor vehicles utilised by the maintenance and landscaping department

Payments made to these suppliers under the terms of the lease hire agreements totalled £11,021, which included termination and repair charges once the vehicles had been returned to the suppliers

### **Agents / Valuers Fees**

As previously mentioned, agents Hilco were instructed to provide valuation advice in connection with the Company's assets and to action a disposal of the same by auction. Fees paid to Hilco totalled £8,401 plus VAT.

Additional fees of £500 plus VAT have been paid to Metis Partners who were instructed to value the goodwill attached to the internet business.

Despite the valuation advice provided by Frensham Brook Limited, they did not make any charges to the Company for the advice provided concerning the valuation of the freehold land and buildings.

Information concerning the basis of the agent's instruction can be found later in this report.

### **Insurance of Assets**

Details of the Company's existing insurance cover was reviewed in conjunction with advice received from the Joint Liquidators' insurers (Marsh Limited).

It was necessary for the Joint Liquidators' insurer to undertake a site risk assessment to ensure all existing cover held by the Company was adequate. As a result of this review, it was necessary for the Joint Liquidators to take out fleet motor cover. A premium of £2,223 was paid in connection with the fleet motor cover, together with payment of the insurer's invoice totalling £1,500 plus VAT for the risk assessment undertaken by them.

In addition, a payment of £78 was made to Towergate Insurance as the Company's existing insurer.

### **Accounts / Payroll Support**

The Company employed a bookkeeper on a permanent basis to manage the Company's financial reporting and statutory filing needs.

However, shortly after the commencement of the Liquidation the bookkeeper gave notice that he would be terminating his employment and subsequently left the Company at the end of July 2015. Attempts to retain this employee's services until the end of trading were unsuccessful and the staffing void created an increased involvement by the Joint Liquidators and their staff in the financial monitoring of the business.

It was necessary for the Joint Liquidators to engage the services of Wentworths & Associates Limited ("Wentworths") in order to process the employees' salaries for August and September, together with PAYE, NI and P45 filing. Fees paid to Wentworths in the current reporting period total £190 plus VAT.

The services of an external bookkeeper (Mr J Laxton-Blinkhorn) were also engaged to attend the trading premises over a six week period to reconcile and input all trading information onto the Company's Sage records. Fees paid to this bookkeeper total £2,175 plus VAT.

Finally, it was necessary to instruct the Company's former accountant (Mr R J Cladd) to prepare the Corporation Tax returns for the pre-liquidation period, who had historically audited the financial reporting undertaken in-house by the Company. Fees paid to Mr Cladd in the current reporting period total £395 plus VAT.

### **Vehicle Running Costs**

The Company held vehicle leasing contracts, which are commented on below. Costs incurred in the running of these vehicles over the trading period 2 June 2015 to 5 September 2016 totalled £2,760 and include payments advanced to the fuel card provider.

### **Legal Fees and Disbursements**

In conjunction with the sale of the freehold land and buildings, Rubinstein Phillips Lewis Smith solicitors were instructed to assist in the conveyance on the Joint Liquidators' behalf

Fees paid to this solicitor total £2,200 plus VAT, together with legal disbursements of £51 plus VAT

Information concerning the basis of the solicitor's instruction can be found later in this report

### **Bank Charges**

Bank charges discharged in the Liquidation total £2,005

### **Sundry Refunds**

Refunds issued in connection with failed customer planting under landscaping and maintenance instructions undertaken since the appointment of Liquidators total £860 in the current reporting period

### **Specific Bond**

The sum of £400 has been paid in respect of the bond we are required to hold by statute relating to funds under our control

### **Statutory Advertising**

The sum of £209 plus VAT has been paid in relation to the passing of the resolution to wind-up the Company, the appointment of Joint Liquidators and notice for creditors to submit claims in the Liquidation

### **Re-direction of Mail**

In accordance with best practice, a postal re-direction was set-up after the Joint Liquidators and their staff vacated the freehold land and buildings on 9 October 2015, giving rise to a payment of £160 to Royal Mail

However, as a result of concerns raised by S G Court Limited and P&P Partners Limited, this postal re-direction was subsequently cancelled with any small amounts of Company post continuing to be forwarded onto this office by the staff at S G Court Limited

### **Pre-Appointment VAT**

Payments made by the Joint Liquidators in the current reporting period in connection with pre-Liquidation VAT liabilities total £55,209 and have been repaid in the ordinary course of business as opposed to being treated as an unsecured claim

### **Pre-Appointment Trading Costs**

Trading costs resulting from supplier liabilities that were incurred prior to Liquidation, that were subsequently discharged within the Liquidation period, total £32,931

### **Pre-Appointment Sundry Refunds**

Following their appointment, the Joint Liquidators were notified of certain disputed landscaping matters, including certain maintenance customers who were entitled to refunds following the supply of faulty products / failed planting and internet refunds. As a direct result, pre-appointment refunds issued during the current reporting period total £29,718

One of the more substantial disputed landscaping matters comprised in this sum concerned the Company's instruction by a customer who sought a complete remodelling of her garden, which included the construction of a patio area and water feature

The entire landscaping assignment was completed in February 2015 and provided a fee of £13,940 plus VAT to the Company. However, by May 2015 the water feature was losing water, which allegedly caused the patio to subside. Under the guarantee provided by the Company, the team carried out repair works to resolve the fault with the water feature. After a further visit in June 2015 it was determined that the landscaping team would not be able to remedy these problems.

The Joint Liquidators subsequently liaised with the customer, who by August 2015 had obtained a separate quote to remedy the problems at a cost of approximately £25,000 (inclusive of VAT).

The Joint Liquidators sought an independent quote from a company within the local area who specialised in water features. However, following an inspection of the customer's garden, the quote received exceeded the customer's quote.

In light of the above, the Joint Liquidators entered into lengthy negotiations with the customer and successfully agreed a settlement with the customer which, after VAT bad debt relief was applied, resulted in a net cost to the Company of £17,212.

### **Pre-Appointment PAYE / NI**

Payments advanced to HM Revenue & Customs in relation to pre-appointment PAYE and NI liabilities on the wages paid to employees totalled £9,811.

### **Pre-Appointment Bank Charges**

Pre-appointment bank charges discharged in the Liquidation total £411.

### **Other matters**

#### **Pre-appointment Corporation Tax**

S G Court Limited are currently assisting with the preparation and filing of the Company's pre-liquidation Corporation Tax return.

The return in support of the final period 1 April 2015 to 1 June 2015 is anticipated to be finalised shortly and we have been advised that it is unlikely to give rise to any tax liability for the period.

#### **Post-appointment Corporation Tax**

The tax department of Crowe Clark Whitehill LLP will prepare the post-liquidation Corporation Tax return for the first year of the liquidation.

This return will include any taxable gain arising following the disposal of the freehold land and buildings.

### **VAT refund**

Following submissions of quarterly VAT returns made by the Joint Liquidators, in conjunction with the final VAT 193 submission to 30 March 2016, net input VAT of £26,430 remains to be refunded into the Liquidation.

All future VAT input will be recovered by the Joint Liquidators where appropriate during the liquidation under VAT 427 submissions.

## **Liabilities**

### **Secured Creditors**

An examination of the company's mortgage register held by the Registrar of Companies confirmed that there are no outstanding debentures

### **Preferential Creditors**

The Declaration of Solvency indicated that the Company had no preferential creditors and no such claims have been received

### **Crown Creditors**

The Declaration of Solvency included sums due to HM Revenue & Customs (HMRC) of £9,844 for PAYE/NI and £41,380 for VAT

All Crown liabilities in respect of PAYE, NI and VAT have been discharged by the Joint Liquidators during the trading period

### **Unsecured Creditors**

The Declaration of Solvency included £1,311,973 due to the unsecured creditors (excluding the aforementioned Crown liabilities) Comprised within the unsecured creditors was an unpaid director's loan of £681,001, an unpaid loan to the parent company of £305,413, an unpaid loan and deposit amount due to S G Court Limited of £155,000, trade and expense creditors of £138,244, other liabilities of £29,815 and accrued expenses of £2,500

All creditors will be paid in full plus any applicable interest with the following exceptions

Director Loan Account - On 28 September 2015 the Liquidators declared a first and final dividend of 100 pence in the £, being payment in full of the amount due to Dr Brown of £681,001 Dr Brown's right to claim Statutory Interest on this claim was waived

Parent Company Loan - On 29 March 2016 the Liquidators declared a first and final dividend of 100 pence in the £, being payment in full of the amount due to Fernplan Limited of £304,400, whose claim was subject to an adjustment from the amount specified in the Declaration of Solvency Fernplan Limited's right to claim Statutory Interest on its claim was waived

S G Court Limited (Loan) – On 16 October 2015 the Liquidators declared a first and final dividend of 100 pence in the £, being payment in full of the amount due to S G Court Limited of £108,333 S G Court Limited's right to claim Statutory Interest on its claim was waived

S G Court Limited (Deposit) – On 23 October 2015 the Liquidators declared a first and final dividend of 100 pence in the £, being payment in full of the amount due to S G Court Limited of £25,000 S G Court Limited's right to claim Statutory Interest on its claim was waived

No other creditor dividends have been paid in the current reporting period

## **Shareholders**

As at the date of this report a first and interim capital distribution to the shareholder totalling £1,013 was declared and paid on 29 March 2016

Future distributions to the shareholder are expected in the Liquidation, but this will remain subject to the future assessment of the post-appointment Corporation Tax liabilities and specifically any taxable gain arising from the sale of the freehold land and buildings Any such distributions are unlikely to exceed £20,000

The shareholder will be notified of the Joint Liquidators' intention to declare a distribution in due course

#### **Further Information**

The following agents and solicitors have been utilised in this matter

<b><u>Professional Advisor</u></b>	<b><u>Nature of Work</u></b>	<b><u>Fee Arrangement</u></b>
Hilco Global	Valuation advice and asset disposal	Commission fee of 10% on asset sales (£4,561 plus VAT), plus fixed fee for initial advice of £1,500 plus VAT and disbursements of £2,340 plus VAT
Rubinstein Phillips Lewis Smith	Legal advice	Time costs of £2,200 plus VAT and disbursements of £51 plus VAT
Frensham Brook Limited	Valuation advice	No fee charged
Metis Partners	Valuation advice	Fixed fee of £500 plus VAT
Wentworths & Associates Ltd	Payroll support	Time costs of £190 plus VAT
Mr J Laxton-Blinkhorn	Bookkeeping support	Time costs of £2,175 plus VAT
Mr R J Cladd	Tax services	Time costs of £395 plus VAT

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

The member may, with the permission of the court or with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report.

The member may, with the permission of the court or with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, 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.

#### **Summary**

The engagement letter dated 12 March 2015 provided prior to the commencement of the Liquidation, contained an estimated cost of various options available to the Company. The option chosen (option one) was shown as incurring a net cost (excluding property sale, rental income and transactions relating to the pre-appointment period) of £82,000. The actual net cost for the period of this report (excluding property sale, rental income and transactions relating to the pre-appointment period) currently totals £37,669.

The matters remaining outstanding are the collection of VAT refunds in the amount of £26,351 and the finalisation of returns in connection with Corporation Tax. We will then proceed to seek confirmation of HMRC's formal tax clearance and proceed with a first and final distribution to the shareholder.



CCW Recovery Solutions

Notification will be circulated of any future distribution to the shareholder and the convening of the final meeting to the Company's member in due course



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**Mark Newman**  
**Joint Liquidator**

Dated 27 July 2016

Mark Newman and Vincent John Green are licensed to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association

**Pantiles Nurseries Limited**  
**(In Liquidation)**

**Joint Liquidators' Abstract Of Receipts And Payments**

RECEIPTS	Declaration of Solvency (£)	From 02/06/2015 to 01/06/2016 (£)
Land & Buildings	1,000,000 00	1 250 000 00
Sales		208,368 76
Cash at Bank	132,527 00	130 418 37
Pre-Appointment Book debts (gross)	24 568 00	70 413 67
Plant & Machinery / General Equipment	12,090 00	43,372 67
Rental / Property Income		38,491 35
Business Rates Refund		9,674 03
Pre-payments / Sundry Refunds	71,038 00	5,445 76
Residual stock	389,832 00	3 201 00
Bank Interest Gross		552 70
Equipment - Office	5,489 00	407 00
Miscellaneous Income		197 49
Customer List		100 00
Goodwill / Website	5 579 00	0 00
Other Debtors	1,013 00	0 00
Fixtures & Fittings	100,039 00	0 00
WIP	476 00	0 00
Other Cash Receipts	1 127 00	0 00
Computer / IT	3 604 00	0 00
	<u>1 747 382 00</u>	<u>1 760 642 80</u>
<b>PAYMENTS</b>		
Director's Loan	681,001 00	681 001 00
Parent Company Loan	305 413 00	304 400 00
SG Court Limited / Deposits	155 000 00	133 333 34
Capital Distribution to Member		1 013 00
Joint Liquidators' Fees		150,000 00
Joint Liquidators' Expenses - CAT1		360 45
Joint Liquidators' Expenses - CAT 2		1 899 05
Trading Related Costs		84,878 25
Direct Labour		84,108 37
Post-appointment PAYE / NI		31 805 91
Redundancy Payments		51,226 84
Vehicle Contract / Termination Charges		11 021 34
Agents/Valuers Fees		8,901 14
Insurance of Assets		3,801 19
Accounts / Payroll support		2,760 00
Vehicle Running Costs		2,759 56
Legal Fees		2,200 00
Legal Disbursements		51 00
Bank charges		2,005 20
Sundry Refunds		860 23
Specific Bond		400 00
Statutory Advertising		208 50
Redirection of Mail		160 00
Pre-Appointment Book debts (gross)		0 00
Bank Interest Gross		0 00
Barclays - bank charges		0 00
Pre-appointment VAT liability	41,380 00	55,208 63
Pre-appointment trade creditors	138 244 00	32,931 30
Other Creditors	29 815 00	0 00
Accrued Expenses	2,500 00	0 00
Pre-appointment Sundry Refunds		29,718 44
Pre-appointment PAYE & NIC	9 844 00	9,811 38
Pre-appointment Bank Charges		410 87
Post-appointment VAT payment		0 00
	<u>1,363,197 00</u>	<u>1 687 234 99</u>
<b>Net Receipts/(Payments)</b>		<u><u>73 407 81</u></u>
<b>Represented by</b>		
Bank 1 Deposit - BARCLAYS		45,037 11
Pre-appointment bank account - Lloyds		1 940 24
Net VAT receivable		26 430 46
		<u><u>73 407 81</u></u>

**Pantiles Nurseries Limited**  
**(In Members' Voluntary Liquidation)**

Time Cost Summary for the period to 1 June 2016

	Partner	Manager	Case Administrator	Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
<b>General Administration</b>							
Pre-Liquidation time costs	20 00	22 30	26 90	0 00	69 20	14,718 00	212 69
Admin & Planning	19 45	5 80	111 35	0 00	136 60	22,750 50	166 55
Case Accounting	0 00	6 50	123 39	0 70	130 59	18,923 65	144 91
Statutory Matters	0 00	0 90	11 30	0 00	12 20	1,804 00	147 87
Strategy/Case Review	13 00	17 65	75 20	0 00	105 85	18,658 50	176 27
Tax & VAT	0 00	7 90	29 15	0 00	37 05	6,013 50	162 31
Property Related	3 50	21 80	12 60	0 00	37 90	7,518 00	198 36
Legal / Litigation	0 00	0 00	2 70	0 00	2 70	405 00	150 00
<b>Investigations</b>							
General Investigations	0 00	0 00	0 70	0 00	0 70	105 00	150 00
<b>Realisation of Assets</b>							
Book Debts	1 25	0 75	13 85	0 00	15 85	2,596 00	163 79
Plant & Machinery / Fixtures & Fittings	0 00	13 50	14 40	0 00	27 90	4,995 00	179 03
Motor Vehicles	0 00	0 00	2 70	0 00	2 70	405 00	150 00
Stock	0 00	7 10	1 90	0 00	9 00	1,776 00	197 33
Other	0 00	16 60	17 20	0 00	33 80	6,066 00	179 47
<b>Creditors</b>							
Unsecured Creditors	0 00	5 10	23 50	0 00	28 60	4,596 00	160 70
Unsecured Creditor Distributions	0 00	0 00	0 60	0 00	0 60	90 00	150 00
Employees	1 00	7 50	31 85	0 00	40 35	6,558 50	162 54
<b>Case Specific Matters</b>							
Shareholder Communication	0 00	4 20	1 00	0 00	5 20	1,032 00	198 46
Shareholder Distributions	0 00	0 40	0 00	0 00	0 40	84 00	210 00
<b>Trading</b>	17 25	100 80	134 45	0 00	252 50	45,172 50	178 90
<b>Total Hours</b>	75 45	238 80	634 74	0 70	949 69		172 97
<b>Total Cost</b>						164,267 15	

150,000 00

Joint Liquidators' fees drawn in accordance with time cost resolution approved at the meeting of the members on 2 June 2015

## **CCW RECOVERY SOLUTIONS**

### **CHARGE-OUT RATES AND DISBURSEMENTS**

The table below sets out the charge-out rates utilised by CCW Recovery Solutions for charging staff time -

Partner	£300 per hour
Director	£250 per hour
Senior Manager	£210 per hour
Manager	£180 per hour
Assistant Manager	£165 per hour
Senior Case Administrator	£150 per hour
Case Administrator	£110 per hour
Insolvency Cashier	£110 per hour
Trainee/support staff	£60 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of a case, but this information will be included in periodic statutory reports to members. The above rates are effective from 1 April 2015. Time is charged in six minute units.

Category 1 disbursements will be charged at the actual cost at which they are incurred, for example statutory advertising and records storage.

Category 2 disbursements, that is those which are paid to CCW Recovery Solutions, will be on the following basis, but only if the appropriate approval has been obtained -

Photocopying	Re-charged at 10p per sheet
Internal room hire	Charged at £50 per meeting held at CCW offices
Company searches	£35 per case
Mileage	Charged at 45 pence per mile

### **GUIDES TO FEES AND BEST PRACTICE**

Although this is a solvent liquidation, the legislation under which the process is carried out requires the liquidators to be licensed insolvency practitioners.

Further information relating to insolvency practitioners' fees and their required practice published by the Association of Business Recovery Professionals can be found on the Insolvency Practitioners Association website [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk)

Hover over Regulation and Guidance located to the right of the option ribbon on the home page and select "Creditors Guides". This information is also relevant to members of companies in both solvent liquidations and insolvency procedures.

The option of Regulation and Guidance will display the following information, and the relevant guide in this case is 'Liquidators' Fees (October 2015)' under Guides for England & Wales.

## CCW Recovery Solutions

The Creditors' Guides to Fees provide explanations of creditors' rights with regard to insolvency practitioners' fees. They explain how an insolvency practitioner seeks approval of his fees, what information a creditor can expect to receive, and what a creditor can do if he is dissatisfied with the level of a practitioner's fees.

The Guides form appendices to Statement of Insolvency Practice 9, which sets out required practice for insolvency practitioners. The full text of SIP9 can be found in the Regulation and Guidance area of the Insolvency Practitioners Association website by clicking onto the link to SIPs on the left hand side of the ribbon then select England and Wales and SIP9.

### Complaints

At CCWRS we always strive to provide a professional and efficient service. However, we recognise that disputes may arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact us at the office with which you usually correspond.

If you consider that we have not dealt with your comments or complaint appropriately you, then put details of your concerns in writing to our complaints officer, Mark Newman, at 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at [www.gov.uk/complain-about-insolvency-practitioner](http://www.gov.uk/complain-about-insolvency-practitioner), or you can email [insolvencyenquiryline@insolvency.gsi.gov.uk](mailto:insolvencyenquiryline@insolvency.gsi.gov.uk), or you may phone 0300 678 0015 - calls are charged at up to 12p per minute from a land line, or for mobiles, between 3p and 45p per minute if you're calling from the UK.

### Professional Indemnity Insurance

In order to comply with the Provision of Services Regulations, details of the practice's professional indemnity insurance can be reviewed on our website '[www.croweclarkwhitehill.co.uk](http://www.croweclarkwhitehill.co.uk)' under the heading 'disclosure' on the bottom left of the home page. This professional indemnity insurance provides worldwide coverage, excluding professional business carried out from an office in the United States of America or Canada, and any action for a claim brought in any court in the United States of America or Canada.

### General

All partners acting as insolvency practitioners are licensed to do so in the UK by the Insolvency Practitioners Association. CCW Recovery Solutions is a trading style of Crowe Clark Whitehill LLP, a Limited Liability Partnership registered in England and Wales with registered number OC 307043, and whose VAT registration number is GB/974 8680 58. The registered office is at St Bride's House, 10 Salisbury Square, London EC4Y 8EH.

1 February 2016