



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 2 1 0 3 6 4 0

Company name in full Forgemasters Limited

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

2 Liquidator's name

Full forename(s) Wilfred Vaughan

Surname Jones

3 Liquidator's address

Building name/number The Maltings

Street East Tyndall Street

Post town Cardiff

County/Region

Postcode C F 2 4 5 E Z

Country

4 Liquidator's name ①

Full forename(s) Susan

Surname Clay

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Maltings

Street East Tyndall Street

Post town Cardiff

County/Region

Postcode C F 2 4 5 E Z

Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	d	2	d	0	m	0	m	1	y	2	y	0	y	2	y	2
To date	d	1	d	9	m	0	m	1	y	2	y	0	y	2	y	3

7 Progress report

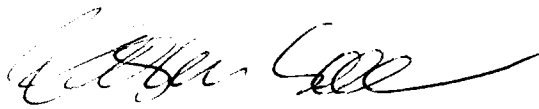
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d

24

m

01

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20

y

22

y

3

Forgemasters Limited


In Liquidation

Joint Liquidators' Summary of Receipts and Payments (Accruals Basis)

Declaration of Solvency £	From 20 January 2022 To 19 January 2023 £	From 20 January 2020 To 19 January 2023 £
ASSET REALISATIONS		
325,780.01 Amount due from Forgemaster (Estate) Ltd	0.00	0.00
18,588.78 Corporation Tax Refund	0.00	18,588.78
Insurance Refund	0.00	644.51
100,692.47 Cash at Bank	0.00	426,468.01
Bank Interest Gross	26.88	234.37
	26.88	445,935.67
COST OF REALISATIONS		
Specific Bond	0.00	774.00
Preparation of Declaration of Solvency	0.00	1,500.00
Office Holders Fees	0.00	2,000.00
Corporation Tax	0.76	39.33
Stationery & Postage	0.00	5.33
Statutory Advertising	0.00	259.95
IT Costs	0.00	45.00
Bank Charges	0.00	46.00
	(0.76)	(4,669.61)
UNSECURED CREDITORS		
Trade & Expense Creditors	0.00	1,228.37
	0.00	(1,228.37)
DISTRIBUTIONS		
(439,710.00) Ordinary Shareholders	36,000.00	433,937.56
	(36,000.00)	(433,937.56)
5,351.26	(35,973.88)	6,100.13

REPRESENTED BY

VAT Receivable	762.06
Interest Bearing Current Account	6,100.13
VAT Control Account	(762.06)
	6,100.13


 Wilfred Vaughan Jones
 Joint Liquidator

1. EXECUTIVE SUMMARY

This Progress Report summarises the progress of the liquidation for the period from 20 January 2021 to 19 January 2022 ("the Review Period").

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

Realisations

Asset	Estimated to realise per Declaration of Solvency £	Realisations to date £	Estimated future realisations £	Anticipated Final Outcome £
Forgemaster (Estate) Ltd	325,780	-	-	-
Corporation tax refund	18,589	18,589	-	18,589
Cash at bank	100,692	426,468	-	426,468
Other	-	644	-	644

Expenses

Expense	Amount incurred to date	Estimated further expense to closure	Estimated Final Outcome
Joint Liquidators' fees	2,000	-	2,000
Pre-liquidation fees	1,500	-	1,500
Bond	774	-	774
All other expenses	396	205	601

Distributions

Class	Distribution paid to date	Estimated total distribution, based upon the above
Unsecured creditors	£1,186 at a rate of 100p per share plus statutory interest	£1,186 at a rate of 100p per share plus statutory interest plus claim of HMRC (£1,720) if agreed
Ordinary shareholders	£433,938 at a rate of 98.6p per share	£437,700 at a rate of 99.5p per share (subject to any agreed increased liquidation costs)

2. INTRODUCTION

The purpose of this report is to detail my acts and dealings as Joint Liquidator of Forgemasters Limited (In Liquidation) ("the Company") for the period under review and it should be read in conjunction with my previous correspondence to members.

Attached at Appendix 1 is a summary of statutory information regarding the Company and the Liquidation.

3. ADMINISTRATION AND PLANNING (INCLUDING STATUTORY REPORTING)

As Joint Liquidators, we are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit, they assist in the efficient and compliant progressing of the liquidation, which ensures that my staff and I carry out our work to high professional standards. The narrative detail in respect of these tasks may be found in Appendix 3.

4. ASSET REALISATIONS

My Receipts and Payment Account for the period under review is attached at Appendix 2.

Asset realisation was completed prior to my previous report and there have been no changes during the year.

5. CREDITORS

I have had to carry out key tasks which are detailed at Appendix 3.

Unsecured creditors

A notice to creditors requiring them to submit claims was published in the London Gazette. After several written requests, HMRC eventually submitted a claim in the period but this included an a claim of £1,720 relating to alleged employee related liabilities dating from March 2016.

The former directors were unable to shed any light on this matter and believe that there is no liability due. Following the lodging of a formal complaint HMRC has now provided limited additional information and the Joint Liquidators are currently liaising with the company's former accountant regarding whether any contemporaneous records still exist that would help prove or disprove the claim.

It follows that without resolution of this matter HMRC has not provided clearance for the Joint Liquidators to close the liquidation.

One trade creditor emerged during the liquidation and the following payments have been made to creditors to date:

Date of payment	Class of creditor / payment	Total amount paid £
30 June 2020	Non-preferential unsecured creditors – 100p in the £	1,186
30 June 2020	Statutory interest	42

6. DISTRIBUTIONS TO SHAREHOLDERS

The following distributions have been made to the shareholders to date:

Date of distribution	Pence per share distributed	Total amount distributed (cash)	Total amount distributed (in specie)
10 March 2020	90.5p	397,937.56	-
12 August 2022	8.1p	36,000.00	-

There were no distributions during the period.

A further final distribution to shareholders of £3,762 is expected to be paid at a rate of less than 1p per share prior to the conclusion of the liquidation, but this is subject agreement of HMRC's claim and any agreed increase in liquidation costs.

7. ETHICS

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

Prior to the Joint Liquidator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment over the Review Period.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Liquidator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. No outside specialists have been used in this matter.

8. COSTS AND EXPENSES

The payments shown on the Receipts and Payments Account at Appendix 2 are in the main self-explanatory.

Pre-Appointment Costs - Fixed fee agreed with the Directors and ratified by members.

The members authorised the fee of £1,500 plus VAT for assisting the directors in placing the Company into Liquidation and with preparing the Declaration of Solvency.

The fixed fee has been paid as shown on the attached Receipts and Payments Account.

The fixed basis of the fee was to provide certainty for the directors and shareholders. The exact amount of work that was required was unclear when first engaged by the directors and the fee quoted was representative of the budgeted cost of dealing with a case of this type of size. The fixed fee was therefore deemed fair and reasonable in the circumstances of this case when there was a risk that time costs could exceed the fixed fee.

Joint Liquidators' Remuneration

The Joint Liquidators' remuneration was approved by a resolution of the members to be paid as a fixed fee of £2,000 plus VAT. This fee has been paid.

Again, the fixed basis of the fee was to provide certainty for the shareholders and any creditors. The fixed fee was deemed fair and reasonable in the circumstances of this case when there was a risk that time costs could exceed the amount of that fixed fee.

The fee agreed was originally based upon the liquidation being concluded within 12 months of appointment. With the ongoing correspondence regarding HMRC yet to be resolved, it is likely that the Joint Liquidators will wish to seek shareholders' approval for an increase in this amount prior to the conclusion of the liquidation,

Joint Liquidators' Disbursements

The Joint Liquidators' category 1 disbursements paid are detailed at Appendix 2 and represent the direct expenses or reimbursement of actual out of pocket payments made on behalf of the assignment.

During the year the Joint Liquidators have been liaising with Lingham's Chartered Accountants regarding the submission of the Corporation Tax return for the year ending 19 January 2022. The cost of this is estimated at £100 per annum but has not yet been paid. The tax arising of £0.76 has been paid. A return will also be required for the current year.

There have been no category 2 disbursements for the period.

Further details on Liquidators fees can be at <http://www.jonesgilesclay.co.uk/creditor-guide-to-fees-in-insolvency.asp>. A hard copy of the Members' Guide may be obtained on request.

9. FURTHER INFORMATION

Members of the Company with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company, or any member with the permission of the

court, may request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

Members of the Company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company, or any member with the permission of the court, may apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred on the grounds that they are excessive or inappropriate, within 8 weeks of receipt of this report.

10. CONCLUSION

The administration of the liquidation will continue in order to finalise the following outstanding matters:

- Agreement of claim from HM Revenue & Customs and obtaining clearance to close the liquidation.

If you require any further information please contact me.

Yours faithfully


W Vaughan Jones
Joint Liquidator

STATUTORY INFORMATION

Forgemasters Limited (In Liquidation)

Registered office:	The Maltings, East Tyndall Street, Cardiff, CF24 5EZ
Former Registered Office:	Garth Works, Taffs Well, Cardiff, CF15 7YF
Registered Number:	02103640
Name of Liquidators:	W Vaughan Jones Susan Clay
Address of Liquidators:	Jones Giles & Clay Ltd The Maltings, East Tyndall Street, Cardiff, CF24 5EZ
IP Numbers	6769 9191
Date of Appointment of Liquidators:	20 January 2020
Appointed By:	The members
Contact Name:	Vaughan Jones
Email Address:	vaughanjones@jonesgilesclay.co.uk
Telephone Number:	029 2035 1490

Joint Liquidators' Estimated outcome statement as at 19 January 2023

	DOS	Actual	Anticipated	Estimated
		19-Jan-23	future	Total
	£	£	£	£
Receipts				
Due from Forgemaster (Estate) Ltd	325,780	0	0	0
Cash at bank	100,692	426,468	0	426,468
Corporation tax refund	18,589	18,589	0	18,589
Insurance refund	0	644	0	644
Interest received	0	235	0	235
Total	445,061	445,936	0	445,936
Costs of realisation and administration				
Pre-liquidation fees	1,500	1,500	0	1,500
Joint Liquidators' fees (1)	2,000	2,000	0	2,000
Statutory advertising	260	260	0	260
Office holders bond	774	774	0	774
Accountancy fees	0	0	200	200
IT costs	100	45	0	45
Bank charges and sundry	6	51	0	51
Corporation tax	0	40	5	45
VAT (net)	0	0	0	0
Total costs	4,640	4,670	205	4,875
Net realisations	440,421	441,266	-205	441,061
Unsecured creditors and statutory interest (2)	0	-1,228	-2,133	-3,361
Available for shareholders	440,421	440,038	-2,338	437,700
Distributions to shareholders (1)	0	-433,938	-3,762	-437,700
Available for shareholders/balance held	440,421	6,100	-6,100	0

Notes

1 Liquidation fees will increase (subject to shareholders approval) and distributions will be lower

2 Creditors payments subject to agreement of HMRC's claim

Forgemasters Limited

In Liquidation

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COST OF REALISATIONS		
Specific Bond	0.00	774.00
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Corporation Tax	0.76	39.33
Stationery & Postage	0.00	5.33
Statutory Advertising	0.00	259.95
IT Costs	0.00	45.00
Bank Charges	0.00	46.00
	(0.76)	(4,669.61)
UNSECURED CREDITORS		
Trade & Expense Creditors	0.00	1,228.37
	0.00	(1,228.37)
DISTRIBUTIONS		
(439,710.00) Ordinary Shareholders	36,000.00	433,937.56
	(36,000.00)	(433,937.56)
5,351.26	(35,973.88)	6,100.13

REPRESENTED BY

VAT Receivable	762.06
Interest Bearing Current Account	6,100.13
VAT Control Account	(762.06)
	6,100.13

Appendix 3

Narrative detail of work undertaken for Forgemasters Limited (in Members' Voluntary Liquidation)

General Description	Includes
Administration and Planning	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued
Books and records / storage	Dealing with records in storage Sending job files to storage
Member reports	Preparing and issuing annual progress report and general reports to members Responding to members' queries Preparing and issuing proposed final account Preparing and issuing final account
Realisation of Assets	
Cash at Bank	Liaising with the bank to transfer funds and close account
Corporation tax refund, Insurance refund	Liaising with accountant and directors
Creditors	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives Protracted correspondence with HMRC Finalising pre appointment tax position Obtaining tax clearance
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD
Dividend procedures	Agreeing allocation of realisations and costs between fixed and floating charges Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Payment of statutory interest to all creditors
Distributions to Members	
Distribution procedures	Preparation of distribution calculation Preparation of correspondence to members announcing declaration of distribution Preparation of BACS to pay distribution Preparation of correspondence to members enclosing payment of distribution

Current Charge-out Rates for the firm – Jones Giles & Clay

1 May 2022 to 30 April 2023

Charge out rates

All partners and staff are charged out at standard hourly rates appropriate to their grade as listed below and time is recorded in 6 minute units. Charge out rates are reviewed in April each year and may increase as a result of that review. Updates will be issued to creditors in future statutory reports.

	£
Insolvency Practitioner/Director	330
Senior Manager	240
Manager	180
Supervisor	150
Case Administrator	120
Support staff	80

Office holders' can seek approval of their remuneration on a number of different basis and further information may be found at www.jonesgilesclay.co.uk/creditor-guide-to-fees-in-insolvency.asp.

Expenses

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses include disbursements which are payments first met by the office holder and then reimbursed from the insolvent estate when sufficient funds are available.

Expenses are divided into those that do not need approval, **Category 1 expenses**, and those that do require approval, **Category 2 expenses**.

Category 1 expenses – no approval required

These are payments made to persons providing a service to the insolvent estate to which the expense relates who are not an associate of the office holder. A list of those expenses typically incurred on insolvency assignments is included below. None of those parties listed are associates of Jones Giles & Clay and/or any of its office holders and none of the expenses listed have an element of shared costs. The expenses are directly attributable to the insolvent estate.

Description of expense	Party providing the service
Digital Document Storage	DocuSoft Limited
Insolvency Practitioners' Case Specific Bond	Marsh Limited
Asset Insurance	Marsh Limited
Statutory Advertising	Courts Advertising
Portal Hosting	The Creditor Gateway Limited
Postage (circulars only)	The Maltings*
Meeting Room Hire	The Maltings*
Books and Records Destruction	The Maltings*

*Jones Giles & Clay occupy serviced offices and its Landlord is The Maltings. The services listed above are not included within the rent payable and are not therefore an overhead of Jones Giles & Clay. Charges incurred for those services are invoiced separately to Jones Giles & Clay and the cost then recharged to the insolvent estate as an expense.

In addition to those expenses listed the services of other professionals may be employed to provide specialist advice e.g. solicitors, agents or debt recovery agents. None of the providers of these services are associates of Jones Giles & Clay and or/its office holders.

Category 2 expenses – creditor approval required

These are payments to associates or which have an element of shared costs.

It is not the policy of Jones Giles & Clay and/or its office holders to employ associates to provide services to any insolvent estate or to seek to recover any firm's overheads as expenses of the insolvent estate.

- Mileage is charged at standard rates that comply with HM Revenue and Customs limits, or AA recommended rates.
- The cost of storing books and records will be charged at the rate of 9.75p per box per week.

Insolvency Rules (England and Wales) 2016**Creditors' and members' requests for further information in administration, winding up and bankruptcy**

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and

18.21 (as applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or

18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
- (b) an order reducing any fixed rate or amount;
- (c) an order changing the basis of remuneration;
- (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
- (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
- (f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
- (b) an order reducing any fixed rate or amount;
- (c) an order changing the basis of remuneration;
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
- (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
- (f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.