

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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A05

20/04/2022

#44

COMPANIES HOUSE

### 1 Company details

Company number 0 2 5 9 4 1 8 8

Company name in full T.R.M. Tisch Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Stephen John

Surname Adshead

### 3 Liquidator's address

Building name/number 4th Floor Cumberland House

Street 15-17 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 B G

Country

### 4 Liquidator's name

Full forename(s) Gregory Andrew

Surname Palfrey

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address

Building name/number 4th Floor Cumberland House

Street 15-17 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 B G

Country

② Other liquidator

Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 2	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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LIQ03

## Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Shani Roche

Company name Smith &amp; Williamson LLP

Address 4th Floor Cumberland House  
15-17 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 B G

Country

DX 49667 Southampton 2

Telephone 023 8082 7600

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)



# T.R.M. Tisch Limited (in creditors' voluntary liquidation)

Joint liquidators' annual progress report for the period from 27  
February 2021 to 26 February 2022

14 April 2022



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# 1. Glossary

Abbreviation	Description
the Company	T.R.M. Tisch Limited
the liquidators/joint liquidators	Stephen John Adshead and Gregory Andrew Palfrey
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
IR16	Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number
IR86	Insolvency Rules 1986, as revoked by IR16 If preceded by R, this denotes a rule number
SOA	Statement of Affairs
ETR	Estimated to realise
HMRC	Her Majesty's Revenue and Customs
QFCH	Qualifying Floating Charge Holder - a secured creditor who has the power to appoint an administrator
RPS	Redundancy Payments Service
S&WEBC	Smith & Williamson Employee Benefits Consultancy, a division of Smith & Williamson Financial Services Limited
S&WFS	Smith & Williamson Financial Services Limited
FCA	Financial Conduct Authority
Group	Casual Dining Group Limited, its subsidiaries and associates

## 2. Introduction and Summary

This report provides an update on the progress of the liquidation of the Company for the period ended 26 February 2022 and should be read in conjunction with any previous reports.

By way of reminder, we, Stephen John Adshead and Gregory Andrew Palfrey, of Smith & Williamson LLP, 4<sup>th</sup> Floor Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG, were appointed liquidators of the Company on 27 February 2020 at a meeting of members. This was subsequently confirmed by a deemed consent procedure of the creditors.

In the period immediately prior to our appointment, the below were trading addresses of the company:

- 50 Earlam Street, Covent Garden, London, WC2H 9LJ
- 67 Kingsway, Holborn, London, WC2B 6TD
- The Glades Shopping Centre, Bromley, Kent, BR1 1DN
- 9 Weekday Cross, Nottingham, NG1 2GB

The Company's registered office is 4th Floor Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG and its registered number is 02594188.

## 3. Realisation of assets

Attached at Appendix I is our receipts and payments account for the period from 27 February 2021 to 26 February 2022. This account also includes cumulative figures from the commencement of the liquidation to 26 February 2022.

The receipts and payments account also includes a comparison with the directors' SOA values.

### 3.1 Intercharge Claims

As previously reported, the Company is a party to a group action relating to charging and fees for card transactions. The claims are being pursued as a class action by a third party law firm. The Company joined this action along with many other retailers. These arrangements were made prior to the liquidators' appointment.

Due to the sensitivity of this matter and status of the claims the liquidators are unable to comment further at this time but are monitoring progress. If there is a recovery for the estate, then creditors will be advised of this as part of our routine reporting in due course.

### 3.2 Assets still to be realised

Other than the Intercharge claim referred to above there are no other known assets still to be realised.

## 4. Investigations

Shortly after our appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors. Our investigations have not revealed any issues requiring further reporting.

There are currently no matters under investigation that might lead to civil recoveries for the estate.

# 5. Creditors

## 5.1 Secured creditors

The following three charges were shown as outstanding at Companies House at the date of liquidation, but the directors considered that the Company had no direct liability to the charge holder and the charge holder was not included as a creditor in the directors' SOA:

Charge holder	Type of charge	Date	Amount due £	Paid in current period £	Total paid at period end £
U.S Bank Trustees Limited	Fixed and floating charge	20 June 2016	£NIL	£NIL	£NIL
U.S Bank Trustees Limited	Fixed and floating charge	15 August 2018	£NIL	£NIL	£NIL
U.S Bank Trustees Limited	Fixed and floating charge	15 August 2018	£NIL	£NIL	£NIL
Total paid			£NIL	£NIL	£NIL

The charges relate to guarantee obligations of the Company in respect of wider group debt. The liquidators have attempted to contact the charge holder to establish whether they now consider that any claim has crystallised in the liquidation of the Company as a consequence of the insolvency of the primary obligor and other guarantors in the wider group but have so far not received a reply.

The liquidators consider it important to rule out the possibility of a claim from the secured creditor before making any further distributions.

## 5.2 Prescribed Part

The Company has no outstanding direct debt to the charge holder and therefore in the absence of debt due to a calculation of the prescribed part is not applicable.

## 5.3 Ordinary preferential creditors

There are no known preferential creditors.

## 5.4 Secondary preferential creditors

This estate pre-dates the re-introduction of Crown preference for certain taxes.

There are therefore no secondary preferential creditors.



## 5.5 Unsecured creditors

### 5.5.1 Claims to reporting date

A summary of the unsecured claims received and agreed at 26 February 2022 is set out below:

	SOA claims	Claims received	Claims agreed
Amount of claims (£)	2,578,973.37	8,323,233.44	2,838,130.24
Number of claims	2	3	2

The Joint Liquidators have carried out the following tasks:

- Liaising with creditors via email and telephone;
- Maintaining creditor information on our insolvency case database;
- Adjudicating on creditor claims including seeking legal advice on some elements of the as yet unagreed claim, which relates to the disclaimer of an authorised guarantee agreement for a group company's lease obligations in respect of a former trading site.

### 5.5.2 Dividends to date

The following dividends have been paid to unsecured creditors during the liquidation:

Dividends	Number of claims	Value of claims £	Distributions paid £
<b>PRIOR PERIOD DIVIDENDS PAID</b>			
30 September 2020, 2.40p/£	1	2,444,403.00	58,665.67
27 October 2020 (catch up payment)	1	393,727.24	9,449.45
<b>Subtotal at last reporting date</b>	<b>2</b>	<b>2,838,130.24</b>	<b>68,115.12</b>
<b>CURRENT PERIOD DIVIDENDS PAID</b>			
None	-	-	-
<b>Total distributions to date</b>	<b>2</b>	<b>2,838,130.24</b>	<b>68,115.12</b>
<b>CLAIMS NOT AGREED AND/OR PAID</b>			
Landlord claim not agreed	1	5,485,103.20	
<b>All claims</b>	<b>3</b>	<b>8,323,233.44</b>	

No dividends have been declared or paid during the reporting period.

## 5.6 Creditors who have not claimed

To date there are a small number of other parties who may be unsecured creditors but who have not submitted a proof of debt, the value of these claims is uncertain at present. These potential creditors were not given a value in the SOA.

# 6. Liquidators' remuneration

## 6.1 Basis of Remuneration

On 23 April 2020 the creditors resolved that the basis of the liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation, with fees estimated to total £20,752.80.

The relevant estimate of fees and expenses was provided on 24 March 2020 along with notice of decisions by correspondence.

### 6.1.1 Resolutions approved as part of the decision procedure

- That a liquidation committee should NOT be established unless sufficient, eligible creditors are willing to be members of a committee.
- That the unpaid pre-appointment costs of £5,000 plus VAT and disbursements payable to Smith & Williamson LLP be approved and paid as an expense of the liquidation
- That the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation in accordance with details of the work the Joint Liquidators propose to undertake, the expenses that are likely to be incurred and, where applicable, an estimate of the fees according to the proposed number of hours and hourly rate and estimated to total £20,752.80 over the period of the liquidation, details of which are given in the estimate attached.
- That the Joint Liquidators be authorised to draw Category 2 disbursements in accordance with their firm's published tariff, details of which accompanied the decision notice.

The costs of £5,000 plus VAT of Smith & Williamson LLP for assisting in convening the initial decision procedure to place the Company into liquidation and to prepare the SOA were drawn in the previous reporting period.

## 6.2 Time costs for the reporting period

The liquidators' time costs for the period under review, together with the time costs to date are as follows:

	Total time costs		Fees paid	
	Hours	£	Ave rate £/hr	£
Prior period	59.67	14,733.13	246.92	
This period	67.86	17,902.54	263.83	17,135.29
Cumulative to date	127.52	32,635.67	255.92	17,135.29
Estimated future	56.90	15,132.50	265.95	
Estimated total	184.42	47,768.17	259.01	
Last approved estimate	97.05	20,752.80	213.84	
Surplus/(shortfall)	(87.37)	(27,015.37)		

## 6.3 Fees to date vs. estimate

- The joint liquidators' costs to date are £32,635.67, compared to our approved estimate of £20,752.80 and we have therefore exceeded our estimate by £11,882.87.
- Going forward, the joint liquidators anticipate future costs to be £15,132.50, making a total estimated cost for the liquidation of £47,768.17. A detailed narrative explanation of these costs can be found in the 'Outstanding matters' section of this report. This estimate is based on present information and may change due to unforeseen circumstances arising.
- The approved fees estimate has been exceeded and the joint liquidators therefore intend to seek approval from the creditors for an increase in the fee estimate before drawing any additional sums over the original estimate.
- Fee estimates may be given up to a certain milestone or for a designated period if it is not possible to provide an accurate estimate at any given point.

## 6.4 Additional analysis and information

The following are contained in the appendices:

APPENDIX II	Time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the liquidators and their staff in attending to matters arising in the liquidation. Details of work carried out in the period are also included in the body of this report.
APPENDIX III	Time analysis of all costs since our appointment as joint liquidators.
APPENDIX IV	Comparison to our fee estimate.
APPENDIX V	Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff. Charge out rates are subject to an annual review.

### 6.4.1 Change of time recording and reporting system

On 1 August 2020, Smith & Williamson replaced its time recording systems, which included changes to the categorisation of work functions. As a consequence all time incurred prior to that date (and any estimates issued prior to that date) have been restated according to a predetermined matrix.

### 6.4.2 Impact of merger on charge out rate change date

On 1 September 2020, the Smith & Williamson Group merged with the Tilney Group to extend their financial and professional services offering. Restructuring and Recovery Services (RRS) and other professional services remain as before and continue to be provided through Smith & Williamson LLP, a subsidiary of the combined group.

Following the merger, there has been a change to our financial year-end. As a result, some teams within Smith and Williamson LLP have increased their charge-out rates as at 1 January 2022. RRS will not be revising its charge-out rates until 1 July 2022 and then again on 1 January 2023, with a return to annual reviews thereafter. In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases. It is anticipated that the rate of any increase on 1 January 2023 will take into account that only six months will have passed from the date of the last increase and so should not cause any prejudice to creditors and stakeholders.

Details of Smith & Williamson LLP's charge out rates (including any changes during the case) along with the policies in relation to the use of staff are provided at Appendix V.

We have no business or personal relationships with the parties who approve our fees.

## 6.5 Work providing value

Creditors should be aware that some work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include work carried out preparing and distributing progress reports, which do not provide creditors with a monetary return, but do provide creditors an insight into the liquidation. Further examples would include regular reviews which are carried out by the office holder. Similarly, these do not provide creditors with a monetary return, but do ensure the liquidation is being conducted correctly and in an orderly manner.

## 6.6 A creditor's guide to liquidators' fees

A copy of 'A Creditor's Guide to Liquidator's Fees' can be downloaded free of charge from R3's website at the following address:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

Alternatively, a hard copy is available on request, free of charge on request to William Bell at:

Email: [william.bell@smithandwilliamson.com](mailto:william.bell@smithandwilliamson.com)

Telephone: 023 8082 7790

Post: Smith & Williamson LLP, 4<sup>th</sup> Floor Cumberland House, 15-17 Cumberland Place, Southampton SO15 2BG.

Details of Smith & Williamson LLP's charge out rates (including any changes during the case) along with the policies in relation to the use of staff are provided at Appendix IV.

We have no business or personal relationships with the parties who approve our fees.

Our connection with Lester Aldridge is disclosed in Section 7.

## 7. Liquidation expenses

### 7.1 Subcontractors

We have not utilised the services of any subcontractors in this case.

### 7.2 Professional advisers

#### 7.2.1 Services to be used

At the time of our fee estimate we envisaged incurring costs for professional advice in the following areas:

- Agents' advice relating to the pre-liquidation disposal of the Company's former trading premises; and
- Legal advice to assist us in dealing with property, landlord and other creditor matters.

#### 7.2.2 Costs incurred, future costs and variance to original estimate

The tables that follow set out the costs now and to complete; a comparison to our last approved fee estimate and the amounts paid and outstanding at the reporting date.

Costs now and to complete	Incurred at last reporting date	Incurred in this period	Incurred to date	Expected future	Expected final expenses
	£	£	£	£	£
Agents fees	-	-	-	-	-
Legal fees	1,914.00	708.00	2,622.00	2,500.00	5,122.00
Legal expenses	-	-	-	-	-
<b>Total</b>	<b>1,914.00</b>	<b>708.00</b>	<b>2,622.00</b>	<b>2,500.00</b>	<b>5,122.00</b>

Variances to estimate	Last approved fee estimate	Incurred to date	Variance	Expected final expenses	Variance
	£	£	£	£	£
Agents fees	2,000.00	-	2,000.00	-	2,000.00
Legal fees	1,500.00	2,622.00	(1,122.00)	5,122.00	(3,622.00)
Legal expenses	-	-	-	-	-
<b>Total</b>	<b>3,500.00</b>	<b>2,622.00</b>	<b>878.00</b>	<b>5,122.00</b>	<b>(1,622.00)</b>

Payments made // outstanding	Paid in prior period	Paid in this period	Total paid	Outstanding
	£	£	£	£
Agents fees	-	-	-	-
Legal fees	1,750.00	-	1,750.00	872.00
Legal expenses	-	-	-	-
<b>Total</b>	<b>1,750.00</b>	<b>-</b>	<b>1,750.00</b>	<b>872.00</b>

### 7.2.3 Advisers instructed and basis of fees

#### Agents' Fees

The joint liquidators have not engaged the services of an agent in relation to the asset disposals undertaken prior to our appointment and do not plan to do so. Further explanation was provided in our previous report.

#### Legal fees, Lester Aldridge

<b>Basis of fees</b>	<ul style="list-style-type: none"> <li>Fees payable to Lester Aldridge are based on their time costs and disbursements.</li> </ul>
<b>Work undertaken</b>	<ul style="list-style-type: none"> <li>Lester Aldridge have provided advice and assistance with a number of property matters including disclaimers and a guarantee agreement as well as the valuation of one claim.</li> </ul>
<b>Financial benefit?</b>	<ul style="list-style-type: none"> <li>The work undertaken does not directly financially benefit the estate, but it has assisted in mitigating certain claims and enhancing the overall return to creditors.</li> </ul>
<b>Future work</b>	<ul style="list-style-type: none"> <li>Provision has been made for further assistance with finalising claims in respect of the Company's former properties.</li> </ul>
<b>Variance to earlier estimate</b>	<ul style="list-style-type: none"> <li>The variation is down to a modest increase in scope and volume of advice required.</li> </ul>
<b>Selection of adviser</b>	<ul style="list-style-type: none"> <li>Lester Aldridge are a legal services firm with appropriate authorisation and insurances and requirements to comply with the relevant ethical and professional standards that this entails.</li> <li>They have appropriate experience of insolvency and property matters and the rates charged are commensurate with the local market for such services and level of expertise and service required.</li> <li>They are not considered an associate of Smith &amp; Williamson or the Liquidators (as defined within the latest version of SIP9).</li> <li>In the interests of transparency one of the case team is related to a partner within Lester Aldridge. Given the respective sizes of the two organisations, the quantum of the fee and that neither party directly benefits personally from the work it is not considered to change the status of associate.</li> <li>No circumstances have arisen that would give us cause to reassess the working or fee relationship with Lester Aldridge in this matter.</li> </ul>

### 7.3 Liquidators' expenses

We have paid and incurred the following expenses in the current period and to date:

Costs now and to complete	Incurred at last reporting date	Incurred in this period	Incurred to date	Expected future	Expected final expenses
	£	£	£	£	£
Statutory Advertising	273.00	-	273.00	-	273.00
Liquidators Bond	140.00	-	140.00	-	140.00
Searches	21.00	-	21.00	-	21.00
Bank Charges	0.40	0.40	0.80	4.60	5.40
<b>Total</b>	<b>434.40</b>	<b>0.40</b>	<b>434.80</b>	<b>4.60</b>	<b>439.40</b>

Variances to estimate	Last approved fee estimate	Incurred to date	Variance	Expected final expenses	Variance
	£	£	£	£	£
Statutory Advertising	273.00	273.00	-	273.00	-
Liquidators Bond	140.00	140.00	-	140.00	-
Searches	-	21.00	(21.00)	21.00	(21.00)
Bank Charges	-	0.80	(0.80)	5.40	(5.40)
<b>Total</b>	<b>413.00</b>	<b>434.80</b>	<b>(21.80)</b>	<b>439.40</b>	<b>(26.40)</b>

Payments made / outstanding	Paid in prior period	Paid in this period	Total paid	Outstanding
	£	£	£	£
Statutory Advertising	-	273.00	273.00	-
Liquidators Bond	-	140.00	140.00	-
Searches	-	21.00	21.00	-
Bank Charges	0.40	0.40	0.80	-
<b>Total</b>	<b>0.40</b>	<b>434.40</b>	<b>434.80</b>	<b>-</b>

### 7.4 Category 2 expenses

On 23 April 2020, creditors authorised the joint liquidators to draw Category 2 expenses in the form of mileage at HMRC rates, however, to date none have been incurred or paid and none are expected to be.

### 7.5 Policies regarding use of third parties and expense recovery

Appendix V provides details of Smith & Williamson LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

## 8. Outstanding matters

The remaining actions to be concluded in the liquidation are as follows. Anticipated costs in relation to the below can be found in Appendix II:

### 8.1 Administration & Planning

Anticipated Work	Provide a Financial Benefit to Creditors
Statutory and regulatory requirements to run the estate until the Intercharge matter is dealt with fully. This will likely include one or more further progress reports.	These costs will not directly benefit the estate but may be necessary to allow funds to flow from the Intercharge claim.
Clarifying the Company's VAT position - The joint liquidators and their staff have been struggling to obtain a current assessment from HMRC regarding the Company's present VAT position. Therefore, further work is needed to obtain said information and to then deal with the matter properly.	This work does not provide creditors with a financial benefit, but the liquidators are obligated to deal with the Company's VAT affairs following its removal from the VAT group to which it formerly belonged.
VAT Refunds - Once we have ascertained the Company's VAT position, we will need to file the relevant paperwork to potentially claim two separate VAT refund claims.	This work does not provide a financial benefit but does prevent loss of value through being unable to recover input VAT on expenses.
Closing the liquidation - this includes preparing and issuing our final report and obtaining tax clearances.	This work does not provide creditors with a financial benefit, but it is a statutory requirement.

### 8.2 Realisations of Assets

Anticipated Work	Provide a Financial Benefit to Creditors
Intercharge Claim - We are not able to specifically identify work that needs to be completed due to the sensitivity of the claim.	This work will hopefully provide creditors financial benefit through receipt of proceeds of the claim at some unknown future date.

### 8.3 Creditors

Anticipated Work	Provide a Financial Benefit to Creditors
Adjudicate Claims - The Liquidators may still receive further claims in the estate, and if this happens, work will need to be done to check the validity of any such claims as well as the one not yet agreed.	This work does not provide a direct financial benefit but is an essential part of properly distributing surplus funds to creditors and therefore provides an indirect benefit to creditors.
Distributions - The Liquidators are expecting to make a further distribution to creditors. The Liquidators also anticipate that there may be catch up distributions required.	This work does not provide a direct financial benefit but is an essential part of properly distributing surplus assets to the creditors.

## 9. Privacy and Data Protection

As part of our role as joint liquidators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at <https://smithandwilliamson.com/rsgdpr>. If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation.

Please contact William Bell of our office if you believe this applies.

## 10. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the liquidators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the liquidators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Stephen John Adshead or Gregory Andrew Palfrey in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 25 Moorgate, London EC2R 6AY or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:


i) Email: [insolvency.enquiryline@insolvency.gov.uk](mailto:insolvency.enquiryline@insolvency.gov.uk)

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

## 11. Next report

We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation unless we have concluded matters prior to this, in which case we will write to all creditors with our final account, prior to vacating office.



Stephen John Adshead and Gregory Andrew Palfrey  
Joint Liquidators

Date: 14 April 2022



## 12. Regulatory information

Stephen John Adshead and Gregory Andrew Palfrey have been appointed as Joint Liquidators of the Company on 27 February 2020.

They act as agents and without personal liability.

Both office-holders are authorised and licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: <https://smithandwilliamson.com/en/insolvency-licensing-bodies/>

The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:

<https://www.icaew.com/technical/insolvency/sips-regulations-and-guidance/insolvency-code-of-ethics>

The Joint Liquidators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Smith and Williamson LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at <http://smithandwilliamson.com/rsgdpr>

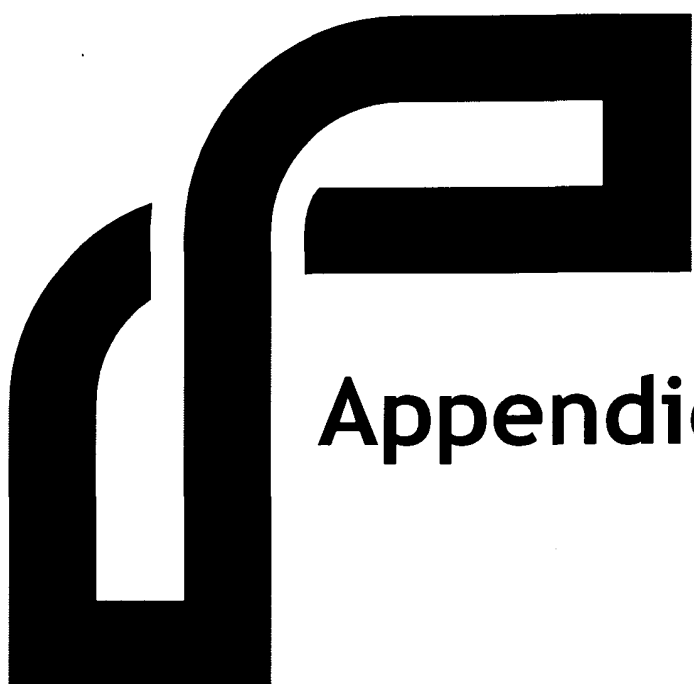
Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Smith & Williamson LLP. A list of members is available at the registered office

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Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

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# Appendices

# I Receipts and payments account

## Receipts and payments account to 26 February 2022

	Statement of Affairs £	From 27/02/2020 To 26/02/2021 £	From 27/02/2021 To 26/02/2022 £	Cumulative to 26/02/2022 £
Transfers of business - funds held	254,297.00	254,297.42	-	254,297.42
Intercharge Claim		-	-	-
Bank Interest Gross		467.40	14.97	482.37
		<b>254,764.82</b>	<b>14.97</b>	<b>254,779.79</b>
<b>PAYMENTS</b>				
S&W Prep of S. of A. Fees		5,000.00	-	5,000.00
Liquidator's Fees		-	17,135.29	17,135.29
Liquidator's Expenses		-	434.00	434.00
Legal Fees (1)		1,750.00	-	1,750.00
Corporation Tax		-	88.81	88.81
Bank Charges		0.40	0.40	0.80
		<b>6,750.40</b>	<b>17,658.50</b>	<b>24,408.90</b>
<b>Net Receipts/(Payments)</b>		<b>248,014.42</b>	<b>(17,643.53)</b>	<b>230,370.89</b>
Trade & Expense Creditors	(2,578,973.37)	68,115.12	-	68,115.12
Balance in Hand		<b>179,899.30</b>	<b>(17,643.53)</b>	<b>162,255.77</b>
<b>MADE UP AS FOLLOWS</b>				
Clients Deposit (Int Bearing)		178,549.30	(21,157.39)	157,391.91
VAT Receivable / (Payable)		1,350.00	3,513.86	4,863.86
		<b>179,899.30</b>	<b>(17,643.53)</b>	<b>162,255.77</b>

### Notes and further information required by SIP 7

- The estate received the sum of £254,297 from Casual Dining Group in relation to the transfer of three leases from the Company to the Group before our appointment.
- The liquidators' remuneration has been approved by creditors, as detailed in the body of our report.
- Details of significant expenses paid are provided in the body of our report.
- Information concerning the ability to challenge the liquidators' remuneration and expenses of the liquidation is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is an expense of the liquidation and shown as irrecoverable VAT.

### Notes and further information required by SIP 9

SIP 9 requires the joint liquidators to inform you of the principal payments in the R&P. This information can be found above and in the main body of the report.

## II Time analysis for the period

From 27 February 2021 to 26 February 2022

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	0.50	10.72	-	13.63	-	24.85	6,805.64	274
Case administration	0.95	1.20	5.83	16.42	-	24.40	5,517.91	226
Sub-total Administration & planning	1.45	11.92	5.83	30.05	-	49.25	12,323.55	250
Investigations								
Records and investigations	-	-	-	0.33	-	0.33	58.34	177
Sub-total Investigations	-	-	-	0.33	-	0.33	58.34	177
Realisation of assets								
Freehold property assets	-	-	0.33	-	-	0.33	89.99	273
Leasehold property assets	0.15	-	-	0.92	-	1.07	215.06	201
Other assets	-	0.42	-	1.42	-	1.84	409.16	222
Sub-total Realisation of assets	0.15	0.42	0.33	2.34	-	3.24	714.21	220
Creditors								
Chargeholders	0.20	-	-	-	-	0.20	94.80	474
Unsecured creditors (exc. Staff)	0.55	7.35	1.50	2.75	-	12.15	3,968.98	327
Disclaimers	0.07	0.03	1.17	-	-	1.27	360.15	284
Creditors, other (legacy)	-	-	-	-	-	-	-	-
Sub-total Creditors	0.82	7.38	2.67	2.75	-	13.62	4,423.93	325
Shareholders								
Shareholders/members	-	-	1.42	-	-	1.42	382.51	269
Sub-total Shareholders	-	-	1.42	-	-	1.42	382.51	270
Total of all hours	2.42	19.72	10.25	35.47	-	67.86		
Total of all £	1,181.02	7,409.72	2,767.50	6,544.30	-		17,902.54	
Average rate	488.02	375.75	270.00	184.50	-			264

## Explanation of major work activities undertaken

### Administration & Planning:

- Maintaining physical/electronic case files and electronics case details on IPS.
- Case review and monitoring.
- Maintaining and managing the appointment's cash book and bank accounts.
- Ensuring statutory lodgements and tax lodgements obligations are met.
- Seeking to resolve the Company's VAT status after its removal from the VAT group.
- Corresponding with HMRC in respect to the VAT position of the Company and trying to determine which returns are outstanding.
- Preparation of the first annual progress report and relevant filings.

### Realisation of Assets:

- Review of Intercharge claim.

### Creditors:

- Dealing with creditor correspondence via email and telephone.
- Maintaining creditors' information on our insolvency database.
- Adjudicating of creditor claims.
- Corresponding with former landlord and tenants of one property.
- Dealing with a property disclaimer.
- Making enquiries concerning the charge holder and how to confirm whether they had a claim in the liquidation.

### III Cumulative time analysis

From 27 February 2020 to 26 February 2022

Cumulative	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	2.85	10.72	3.10	21.03	-	37.70	9,630.44	255
Case administration	1.55	1.33	5.98	22.87	-	31.73	6,929.86	218
Administration & planning - other (legacy)	0.30	0.05	0.25	0.15	-	0.75	241.00	321
Sub-total Administration & planning	4.70	12.10	9.33	44.05	-	70.18	16,801.30	239
Investigations								
Directors	0.10	-	0.60	1.40	-	2.10	388.80	185
Records and investigations	0.80	-	2.15	5.33	-	8.28	1,647.94	199
Sub-total Investigations	0.90	-	2.75	6.73	-	10.38	2,036.74	196
Realisation of assets								
Freehold property assets	0.25	-	2.33	3.20	-	5.78	1,149.59	199
Leasehold property assets	0.15	-	-	0.92	-	1.07	215.06	202
Other assets	0.10	0.42	0.75	1.42	-	2.69	632.36	235
Sub-total Realisation of assets	0.50	0.42	3.08	5.54	-	9.54	1,997.01	209
Creditors								
Chargeholders	0.20	-	-	-	-	0.20	94.80	474
Unsecured creditors (exc. Staff)	3.03	8.00	16.30	5.00	-	32.33	10,211.16	316
Disclaimers	0.27	0.43	2.77	-	-	3.47	1,112.15	321
Sub-total Creditors	3.50	8.43	19.07	5.00	-	36.00	11,418.11	317
Shareholders								
Shareholders/members	-	-	1.42	-	-	1.42	382.51	269
Sub-total Shareholders	-	-	1.42	-	-	1.42	382.51	269
Total of all hours	9.60	20.95	35.65	61.32	-	127.52		
Total of all £	4,398.70	7,869.97	9,991.50	10,375.50	-		32,635.67	
Average rate	458.20	375.65	280.27	169.20	-			256

## IV Comparison to fee estimate

The table below sets out the variances between those costs set out in our approved fee estimate and our actual and currently estimated to complete costs.

	Current time costs £	Approved estimate £	Variance £	Estimated final £	Variance £
Administration & Planning	16,801.30	8,916.00	(7,885.30)	28,152.30	(19,236.30)
Investigations	2,036.74	4,788.00	2,751.26	2,036.74	2,751.26
Realisation of Assets	1,997.01	4,092.00	2,094.99	3,506.01	585.99
Trading	-	-	-	-	-
Creditors	11,418.11	2,956.80	(8,461.31)	13,690.61	(10,733.81)
Shareholders	382.51	-	(382.51)	382.51	(382.51)
	<u>32,635.67</u>	<u>20,752.80</u>	<u>(11,882.87)</u>	<u>47,768.17</u>	<u>(27,015.37)</u>

Category	Reason for current variance	Future variance
Administration & planning	The costs of annual reporting and compliance have exceeded our original estimate. This reflects increasing compliance burden generally in insolvency estates but also time expended on trying to resolve various issues surrounding recognition of the insolvency proceedings by HMRC.	There will be further compliance and reporting costs, including those of preparing this report as well as further work to do in agreeing the liquidation tax affairs and resolving output VAT that is currently stuck with the liquidators pending a resolution of certain HMRC issues. The liquidation is likely to remain open for a longer period depending on how long the Intercharge claim takes to conclude.
Investigations	As noted in our previous report there were no follow up items from our initial enquiries and therefore the estimated time was overstated in our original fee estimate.	Not applicable
Realisation of assets	We expended additional time in recovering the deferred consideration, which led to a further £75,000 of recoveries for the estate as well as making additional enquiries regarding the Intercharge claims.	Some limited work is expected to be required if the Intercharge claims move to settlement/litigation in future. The estimates above include a modest monitoring cost.
Creditors	As noted previously this is an area that has increased significantly. This reflects the costs of dealing with more complex claims arising from guarantees and leases as well as the insolvency/striking off of the wider group.	There remains some work to do in respect of the outstanding claims if the charge holder does not choose to pursue its contingent claim against the Company.



# V Staffing, charging, subcontractor and adviser policies and charge out rates

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## Introduction

Detailed below are:

- Smith & Williamson LLP's policy in relation to:
  - Staff allocation and the use of subcontractors
  - Professional advisers
  - Expense recovery
- Smith & Williamson LLP's current charge out rates

## Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as joint officeholders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers (which is centralised, and London rates apply), support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both regional and London offices, subject to the specific requirements, e.g., geographical location, of individual cases.

We have not used any subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

## Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.

- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

## Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012, Smith & Williamson LLP's policy is to recover only two types of Category 2 expense, namely S&WFS's fees, as referred to above, and business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the period covered by this report are set out in the body of this report.

## Charge out rates

A schedule of Smith & Williamson LLP's charge out rates was issued to creditors at the time the basis of the liquidators' remuneration was approved.

The rates applicable to this appointment are set out below. There have been no changes to the charge out rates during the period of this report.

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates	London office £/hr		Regional offices £/hr	
	From 01/07/19	From 01/07/20	From 01/07/19	From 01/07/20
Partner / Director (from 1 January 2016)	470-540	495-570	376-432	396-456
Associate Director	440	380-465	352	372
Managers	270-380	285-400	216-304	228-320
Other professional staff	180-380	190-465	144-192	152-204
Support & secretarial staff	100	105	80	84

Smith & Williamson LLP	London office	Regional offices
Restructuring & Recovery Services	£/hr	£/hr
Charge out rates as at 1 July 2021		
Partner	590-610	480
Director & Associate Director	395-530	395-415
Managers	290-430	240-335
Other professional staff	130-280	160-215
Support & secretarial staff	100-120	90

#### Notes

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. The firm's cashiering function is centralised, and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
4. Partner includes a Consultant acting as an office-holder or in an equivalent role.