

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 2 7 9 5 6 7 1  
Company name in full SUSSEX FLYING CLUB LIMITED

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

### 2 Liquidator's name

Full forename(s) Simon Peter Edward  
Surname Knight

### 3 Liquidator's address

Building name/number 68 Ship Street,  
Street Brighton,  
Post town East Sussex,  
County/Region  
Postcode B N 1 1 A E  
Country

### 4 Liquidator's name ①

Full forename(s) Syed Oowas Farhan  
Surname Aziz

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

### 5 Liquidator's address ②

Building name/number 68 Ship Street  
Street Brighton  
Post town East Sussex  
County/Region  
Postcode B N 1 1 A E  
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> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 3	<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> 3	<sup>m</sup> 0	<sup>m</sup> 5	<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 **Simon Peter Edward Knight**

Company name **Jeremy Knight & Co.**

Address **68 Ship Street**

**Brighton**

Post town **East Sussex**

County/Region

Postcode

**B N 1 1 A E**

Country

DX

Telephone

**(01273) 203654**

**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.

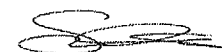
**Further information**

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)

**SUSSEX FLYING CLUB LIMITED**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 15/03/2021 To 14/03/2022 £	From 15/03/2021 To 14/03/2022 £
	<b>ASSET REALISATIONS</b>		
1,500.00	Book Debts	45.27	45.27
20.00	Cash at Bank	NIL	NIL
23,000.00	Plant & Equipment	NIL	NIL
	Sale of Aircraft	61,920.00	61,920.00
500.00	Stock	NIL	NIL
		<u>61,965.27</u>	<u>61,965.27</u>
	<b>COST OF REALISATIONS</b>		
	Agents Fees	1,285.27	1,285.27
	Aircraft Costs	2,593.72	2,593.72
	Insurance	320.66	320.66
	Sage Software Ltd	336.00	336.00
	Specific Bond - £100,000 - £260	312.00	312.00
	Stationery & Postage	282.11	282.11
	Statutory Advertising	175.68	175.68
	VAT	9,644.22	9,644.22
		<u>(14,949.66)</u>	<u>(14,949.66)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(3,350.00)	Employees	NIL	NIL
(19,863.00)	H M Revenue & Customs	NIL	NIL
	Preferential Claims	5,155.55	5,155.55
		<u>(5,155.55)</u>	<u>(5,155.55)</u>
	<b>UNSECURED CREDITORS</b>		
(104,703.00)	Consumer Creditors	NIL	NIL
(29,766.00)	Employees	NIL	NIL
(1,250.00)	Trade & Expense	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(134,012.00)</b>		<b>41,860.06</b>	<b>41,860.06</b>
	<b>REPRESENTED BY</b>		
	Bank 1 - Current		41,860.06
			<b>41,860.06</b>



Simon Peter Edward Knight  
Joint Liquidator

**SUSSEX FLYING CLUB LIMITED  
(IN CREDITORS VOLUNTARY LIQUIDATION)  
JOINT LIQUIDATORS' ANNUAL REPORT TO MEMBERS AND CREDITORS  
FOR THE YEAR ENDING 14TH MARCH 2022**

**CONTENT**

- 1 Statutory and general information**
- 2 Joint Liquidators' actions since appointment**
- 3 Unrealised assets**
- 4 Investigation into the affairs of the company**
- 5 Creditors and dividends**
- 6 Joint Liquidators' remuneration**
- 7 Joint Liquidators' expenses**
- 8 Further information**
- 9 Conclusion**

**APPENDICES**

- 1 Joint Liquidators' receipts and payments account**
- 2 Jeremy Knight & Co fees and expenses information**

**SUSSEX FLYING CLUB LIMITED  
(IN CREDITORS VOLUNTARY LIQUIDATION)  
JOINT LIQUIDATORS' ANNUAL REPORT TO MEMBERS AND CREDITORS  
FOR THE YEAR ENDING 14TH MARCH 2022**

**1 Statutory and general information**

**Company number:** 02795671

**Joint Liquidators:** Simon Peter Edward Knight and Syed Oowas Farhan Aziz of  
Jeremy Knight & Co, 68 Ship Street, Brighton, East Sussex BN1  
1AE

**Date of appointment:** 15<sup>th</sup> March 2021

Creditors wishing to contact the Joint Liquidators, should contact Simon Peter Edward Knight on telephone number 01273 203654 in the first instance.

**2 Joint Liquidators' actions since appointment**

2.1 This report should be read in conjunction with my receipts and payments account which is attached; please note that the figures are shown gross of VAT.

2.2 You will see from my receipts and payments account, that the assets have realised significantly more than the amount included in the estimated in the statement of affairs. Greater detail is provided below.

Assets

2.3 The company's assets were valued by independent agents, Marriott and Co and comprised a Cessna 152 aircraft G-BHIN, as well as some stock and some plant and equipment.

Plant and equipment and stocks

2.4 The principal asset was a Cessna 152 aircraft G-BHIN which was valued by the director at £28,000 but was in need of work to be done for its annual certificate of airworthiness so was included in the statement of affairs at £23,000. The aircraft was in the possession of the engineers who were carrying out the necessary work. Their costs and storage charges amounted to £2,593.72. Additionally, the company had a stock of training aids and some avionic spares of unknown condition which were estimated to be worth about £500 on a forced sale. There was however strong demand for all the tangible assets and we decided that a sale by public auction would be likely to achieve the best realisations for the creditors. This resulted in a realisation of £61,920 including VAT and half of the 15% buyer's premium. The other half of the buyer's premium was paid to the auctioneers as their costs.

Debtors

2.5 Following my appointment, I ensured that all debtors were written to informing them of my appointment and requesting payment. There were a number of debts for nominal amounts, which have proved to be difficult in collecting in and a significant number of the debts have proved largely unrealisable being mainly bookkeeping errors.

Other matters

2.6 In addition to my responsibility to realise the company's assets, I am required to comply with various legislative and best practice obligations and deadlines. These obligations include filing of documents with the Registrar of Companies, ensuring that all receipts and payments

are promptly dealt with and proper accounting records are maintained. In addition, I am required to undertake periodic case reviews to monitor progress, advise creditors of the liquidation and record all claims received. Furthermore, I am obliged to deal with any other day to day matters that may arise during the liquidation.

### **3 Unrealised assets**

- 3.1 All assets have now been realised.

### **4 Investigation into the affairs of the company**

- 4.1 One of the responsibilities the Joint Liquidators' have is to review the company's books and records, together with any information provided by creditors to establish if there are any areas which may warrant further investigations. The purpose of these investigations is to establish whether there is the possibility of making further recoveries for the benefit of creditors.
- 4.2 After my initial review, I did not identify any matters which I believed required further investigation.
- 4.3 A further responsibility of the Joint Liquidators is to report to the Secretary of State on any matters that come to their attention, that could lead them to conclude that any past or present director may be unfit to be involved with managing the affairs of a company in the future. This report is confidential and it is a legal requirement that I do not disclose the content of this report.

### **5 Creditors and dividend prospects**

#### Preferential creditors - ordinary

- 5.1 Claims in this category of preferential creditors, being claims from employees for outstanding wages and holiday pay and the Redundancy Payments Service, have been recorded however, they have not been agreed as there is little likelihood of a dividend being paid to this class of creditor.
- 5.2 I have received claims from two employees in respect of wages and holiday pay and the Redundancy Payments Service, and I have adjudicated on these claims. On 2<sup>nd</sup> March 2022, I declared a distribution of 100p in the £ to the creditors whose claims totalled £5,155.55.

#### Preferential creditors - secondary

- 5.3 Claims in this category of preferential creditors, being claims from HM Revenue & Customs in respect of deductions from employees' wages and outstanding VAT, have been recorded however, they have not been agreed as there is no likelihood of a dividend being paid to this class of creditor.
- 5.1 I have received a claim from HM Revenue & Customs in respect of respect of deductions from employees' wages and outstanding VAT totalling £19,604.77 and I have adjudicated on this claim as I anticipate that a distribution will be paid to this category of preferential creditors in due course.

#### Floating charge creditor and the prescribed part

- 5.2 The company has not given any floating charges over its assets and therefore the prescribed part provisions do not apply.

#### Unsecured creditors

- 5.3 Whilst I have received a number of claims from unsecured creditors, I have not incurred the costs of adjudicating on these claims. Based on current information, regrettably there is little likelihood of any funds being available to pay a distribution to unsecured creditors.

## **6 Joint Liquidators' remuneration**

6.1 Changes to charge out rates during the period of this report are attached in my firm's fee policy.

6.2 The Joint Liquidators' remuneration was fixed on the following basis:

The Liquidators be paid a fixed fee of £11,364.31 plus VAT for assisting in the preparation of the statement of affairs and seeking a decision from the creditors; and a further fixed fee of £29,949.60 plus VAT for undertaking all post-appointment categories of work in the liquidation; and that the Liquidators be permitted to recover category 2 expenses.

6.3 I can report that my costs have been invoiced and paid in full.

6.4 For the benefit of creditors, the Association of Business and Recovery Professionals publish A Creditors' Guide to Liquidators' Fees. This document is available at the following website address, <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. A hard copy of this document can be obtained on request from our office.

6.5 A copy of our practice fee recovery policy can be accessed at our website at the following address: <https://www.jeremyknight.co.uk/ips-and-their-fees/>.

## **7 Joint Liquidators' expenses**

7.1 Details of the expenses that I have paid are shown on the attached receipts and payments account. These expenses are in line with the estimate already provided to creditors and are not likely to exceed this amount.

7.2 No expenses have been incurred which have not yet been paid.

7.3 My choice of professionals was based on my knowledge of their experience and ability to perform the type of work required. I have reviewed the fees charged and as they are in line with original estimates, I am satisfied that they are reasonable in the circumstances of this case.

## **8 Further information**

8.1 Within twenty one days of receipt of a progress report a creditor may request that the Joint Liquidators provide further information about the fees and expenses set out in this report. A request must be in writing and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors, or the permission of the court.

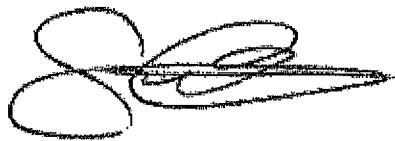
8.2 Any secured or unsecured creditor, if they consider that the Joint Liquidators' fees are excessive, or that the basis of those fees is inappropriate or that the expenses incurred are excessive, may make an application to the court if at least 10% in value of the unsecured creditors agree. An application must be made within eight weeks of receipt of this report.

## **9 Conclusion**

9.1 As all assets have been realised and the VAT has been reclaimed on the costs of the liquidation, I am now in a position to distribute the remaining funds to the secondary preferential creditor (HM Revenue & Customs) and issued my final report, which will conclude the liquidation.



Should you have any queries regarding this matter please contact Simon Peter Edward Knight on 01273 203654.

A handwritten signature in black ink, appearing to be 'S P E Knight', with a stylized flourish extending to the right.

S P E Knight -- Joint Liquidator

Dated this 13<sup>th</sup> day of May 2022

**SUSSEX FLYING CLUB LIMITED**

**IN CREDITORS VOLUNTARY LIQUIDATION**

**SUMMARY OF THE LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**  
For the period from 15th March 2021 to date

	Statement of affairs	15th March to date		15th March to date
<u>RECEIPTS</u>	£	£	<u>PAYMENTS</u>	£
Plant and equipment	23,000.00	61,920.00	Liquidators' bond	312.00
Stock	500.00	-	Agent's fees and expenses	1,285.27
Book debts	1,500.00	3.20	Statutory advertising	175.68
Cash at bank	20.00	-	Aircraft costs	2,593.72
£	<u>25,020.00</u>		Insurance	320.66
			VAT	9,644.22
			Stationery & postage	278.32
			Sage software	84.00
			Balance in hand	47,229.33
		£ <u>61,923.20</u>		£ <u>61,923.20</u>

Notes

1. The above figures include VAT where appropriate.
2. The stock was included in the sale by auction of the plant and equipment.
3. The book debts have proved largely unrealisable.

Dated this 13th day of May 2022

(signed) S P E KNIGHT MIPA  
JOINT LIQUIDATOR  
JEREMY KNIGHT & CO  
Chartered Accountants  
68 Ship Street  
Brighton BN1 1AE

## **JEREMY KNIGHT & CO FEES POLICY**

### **Introduction**

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee, if one is appointed by the creditors, failing which, the creditors or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at [www.jeremyknight.co.uk/ips-and-their-fees](http://www.jeremyknight.co.uk/ips-and-their-fees). Alternatively a hard copy may be requested from Gabriela Gazova our office at 68, Ship Street, Brighton BN1 1AE. Please note, however, that the guides have not yet been updated for the revised legislation, so we have provided further details in this policy document.

Once the basis of the office holders' remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

### **Time cost basis**

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

### **Charge-out Rates**

<b>Grade of staff</b>	<b>Current charge-out rate per hour, effective from 1<sup>st</sup> April 2022</b>	<b>Previous charge-out rate per hour, effective from 1<sup>st</sup> October 2015</b>
	<b>£</b>	<b>£</b>
Partners	260 - 375	215 - 290
Managers	145 - 260	140 - 215
Other Senior Administrators	110 - 145	75 - 140
Assistant & Support Staff	75 - 120	60 - 90
Secretary	nil	nil

These charge-out rates charged are reviewed on periodically and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

In cases where we were appointed prior to 1st October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1st October 2015 and on new appointments we now only seek time costs for the following categories:

- Investigations
- Distributions
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

### **Percentage basis**

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1st October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1st October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any

realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

#### **Fixed fee**

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1st October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1st October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

#### **Members' voluntary liquidations and Voluntary Arrangements**

The legislation changes that took effect from 1st October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

## **All bases**

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

## **Agent's Costs**

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1st October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

## **Disbursements**

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Jeremy Knight & Co; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage and Company search fees. The legislation requires every insolvency practitioner to take out specific bond insurance to protect creditors against loss due to misfeasance. The premium will vary according to the value of assets covered in the particular insolvency appointment and are recoverable as Category 1 disbursements.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	£40 per hour or part thereof
Mileage	45p per mile
Storage	£1.50 per box per month
Photocopying	10p per sheet