

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 2 8 4 8 7 8 7

Company name in full Office Zone Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Charles Graham John

Surname King

3 Liquidator's address

Building name/number 1 Bridgewater Place

Street Water Lane

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 1 5 Q R

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Samuel James

Surname Woodward

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2

Street St Peter Square

Post town Manchester

County/Region

Postcode M 2 3 E Y

Country United Kingdom

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6	Period of progress report															
From date	d	0	d	8	m	0	m	7	y	2	y	0	y	2	y	1
To date	d	0	d	7	m	0	m	7	y	2	y	0	y	2	y	2
7	Progress report															
	☒ The progress report is attached															
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	0	d	5	m	0	m	9	y	2	y	0	y	2	y	2

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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 Mark Chapman

Company name Ernst & Young LLP

Address 1 Bridgewater Place

Water Lane

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 1 5 Q R

Country United Kingdom

DX

Telephone +44 113 298 2602



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 or email 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

TO ALL MEMBERS AND ALL CREDITORS
WHO ARE NOT OPTED OUT

5 September 2022

Ref: OFFICEZ01
Mark Chapman
Direct line: +44 113 298 2602
Email: mark.chapman@parthenon.ey.com

Office Zone Limited (in Creditors' Voluntary Liquidation) ("the Company")

Dear Sir or Madam

Robert Hunter Kelly and I were appointed as Joint Liquidators of the Company on 8 July 2020. I now write to provide you with our report on the progress of the liquidation for the period from 8 July 2021 to 7 July 2022. This report should be read in conjunction with our progress report dated 1 September 2021.

Please note that in accordance with a Court Order dated 27 June 2022 ("the Order"), Robert Hunter Kelly was replaced as Joint Liquidator by Samuel James Woodward, an Insolvency Practitioner licenced by the Institute of Chartered Accountants in England and Wales. In compliance with the terms of the Order, a block advertisement was advertised in the London Gazette on 7 July 2022. Pursuant to the Order, each creditor has the right to apply to vary or discharge the Order within 28 days of receipt of this notification.

At Appendix A of this report, we provide information about the Company and the Liquidators. A copy of our receipts and payments account for the period from 8 July 2021 to 7 July 2022 is at Appendix B.

Progress during the period of the report

Assets

There have been no asset realisations in the period covered by this report.

As previously reported, the directors' statement of affairs showed the Company as having no realisable assets as at the date of liquidation.

A claim for £12.04m was submitted in the Liquidation of OT Office Supplies Limited ("OTOSL") in respect of an intercompany receivable which the directors attributed as having no realisable value.

The liquidators have concluded their enquiries into the recoverability of assets for the benefit of the liquidation and no asset realisations are anticipated.

Total asset realisations in the liquidation to date are therefore £Nil.

Liabilities

Secured Creditors

The directors' statement of affairs showed the Company as owing the sum of £16.8m to the secured creditors, Lloyds Bank Plc ("LBG") and BECAP 12 GP Limited ("BECAP") in respect of debentures

registered against the Company and other Spicers-OfficeTeam Group companies ("the Group") under the terms of cross guarantees.

The LBG and BECAP secured debts have been repaid in full through distributions in the Administrations of Spicers Limited and OfficeTeam Limited.

Unsecured Creditors

The directors' statement of affairs showed the Company as owing the sum of £12.48m to unsecured creditors. Of this amount, the sum of £10.55m relates to intercompany creditors.

A notice was advertised in the London Gazette for any persons claiming to be creditors of the Company to submit their claims by 21 August 2020.

Claims totalling £10.55m have been received from unsecured creditors.

Agreement of tax position

It is customary in a liquidation to seek confirmation from the relevant Crown authorities that they have no claim in respect of taxation matters for the post liquidation period and no objection to the conclusion of the liquidation.

HM Revenue & Customs ("HMRC") were notified of the Joint Liquidators' appointment together with our notice of intention to conclude the liquidation in due course. HMRC have not objected to our intention to conclude the liquidation once the winding up has been completed.

Work which remains to be done

There are no outstanding matters in the liquidation. Consequently, the Joint Liquidators will issue a final account of the liquidation in due course.

Notice of no dividend

We give notice, pursuant to Rules 14.36 and 14.37 of the Insolvency (England and Wales) Rules 2016, that no dividend will be declared in respect of non-preferential claims on the basis that no asset realisations have been achieved to enable a distribution to any class of creditor.

Joint Liquidators' remuneration

Pre-appointment

The Joint Liquidators' fees for the preparation of the statement of affairs and convening the creditors decision procedure were agreed as a fixed amount of £10,000 plus VAT and disbursements. An agreement exists with a third party in respect of these costs and as such there is no recourse to the liquidation estate.

Post-appointment

The Joint Liquidators' remuneration was fixed on a time-cost basis up to a limit of £30,000 plus VAT by a resolution of creditors on 17 July 2020.

During the period covered by this report, we have incurred time costs of £5,974.39 plus VAT. The Joint Liquidators total incurred time costs in the liquidation to date are £29,828.63 plus VAT. No amounts have been paid in this respect.

Due to an administrative error, the Joint Liquidators' statement of time costs incurred in the previous reporting period were reported as totalling £13,651.74 plus VAT. The actual time costs incurred in this period were £23,854.24 plus VAT.

At Appendix C to this report there is an analysis of the time spent and an explanation of the work done.

Joint Liquidators' statement of expenses incurred

No expenses have been incurred during the period covered by this report.

Creditors' rights to further information about, and challenge, remuneration and expenses

The statutory provisions relating to remuneration are set out in Chapter 4 of Part 18 of the Rules. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Liquidators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to the Joint Liquidators.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Rules). Further information is provided in 'A Creditors' Guide to Liquidators' Fees' referred to above.

Investigations

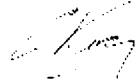
As previously reported, a confidential return on the conduct of all persons who have been directors, shadow or de-facto directors of the Company during the three years prior to our appointment was submitted to the Insolvency Service.

Other matters

We will report to all creditors again in 12 months' time or at the conclusion of the liquidation, whichever is sooner.

Should you wish to discuss any matters arising from this report, please do not hesitate to contact Mark Chapman on the direct line number shown above.

Yours faithfully
for the Company



Charles King
Joint Liquidator

C G J King and S J Woodward are licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The Joint Liquidators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy

Office Zone Limited (in Creditors' Voluntary Liquidation) ("the Company")

Information about the Company and the Liquidators

Registered office address of the Company:	1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Registered number:	02848787
Date of appointment of the Joint Liquidators:	8 July 2020
Details of any changes of liquidator:	On 27 June 2022, Samuel James Woodward replaced Robert Hunter Kelly as Joint Liquidator
Full names of the liquidators:	Charles Graham John King and Samuel James Woodward
Office holder numbers:	8985 and 12030
Liquidators' address:	Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Telephone number:	+44 113 298 2602
Name of alternative person to contact with enquiries about the case:	Mark Chapman

Office Zone Limited (in Creditors' Voluntary Liquidation) ("the Company")**Joint Liquidators' receipts and payments account for the period from 8 July 2021 to 7 July 2022**

Statement of affairs Estimated to Realise Values £	To 7 July 2021 £	In this Report Period £	Cumulative Total £
Receipts			
-	-	-	-
-	-	-	-
Payments			
-	-	-	-
-	-	-	-
Balance at bank	-	-	-

Notes

1. Receipts and payments are stated net of VAT.

Office Zone Limited (in Creditors' Voluntary Liquidation) ("the Company")

Joint Liquidators' time costs for the period from 8 July 2021 to 7 July 2022

	Staff Grade						Total Hours	Total Cost £	Average Rate £
	Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	-	-	0.3	3.1	0.6	3.9	1,437.4	365.6
Creditors	-	-	-	0.2	0.3	1.0	1.4	432.9	300.2
Debtors	-	-	-	0.2	0.5	-	0.7	350.3	478.8
Employees	-	-	-	-	-	-	-	-	-
Immediate Tasks	-	-	-	-	-	-	-	-	-
Investigation & CDDA	-	-	-	-	-	-	-	-	-
Job Acceptance & Strategy	-	-	-	0.2	-	-	0.2	125.9	556.5
Legal Issues	-	-	-	0.3	-	-	0.3	195.2	579.4
Other Assets	-	-	-	-	-	-	-	-	-
Other Matters	-	-	-	-	0.2	0.3	0.5	174.9	322.7
Reporting	-	-	-	0.8	1.2	1.9	3.9	1,388.2	358.9
Property	-	-	-	-	-	-	-	-	-
Statutory Duties	0.1	0.3	-	0.2	2.1	2.1	4.7	1,797.2	378.6
VAT & Taxation	-	-	-	-	0.2	-	0.2	72.5	405.0
Total Hours	0.1	0.3	-	2.2	7.5	5.9	16.0		
Time Costs (£)	95.00	255.79	-	1,259.32	2,937.55	1,426.74		5,974.39	
Average Hourly Rate (£)	950.0	900.0	-	561.7	391.7	242.7		373.3	

Joint Liquidators' time costs for the period from 8 July 2020 to 7 July 2022

	Staff Grade						Total Hours	Total Cost £	Average Rate £
	Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	-	0.0	1.6	5.6	3.0	10.2	3,564.3	349.8
Creditors	0.0	1.6	-	1.1	0.5	1.3	4.5	2,352.7	517.4
Debtors	-	0.1	-	0.4	0.5	-	1.0	517.3	511.9
Employees	-	-	-	0.1	-	-	0.1	38.3	520.0
Immediate Tasks	-	1.3	-	0.3	2.4	0.2	4.2	2,128.7	506.8
Investigation & CDDA	0.1	1.0	-	0.6	3.2	2.4	7.3	2,967.5	407.1
Job Acceptance & Strategy	0.0	-	-	1.8	-	2.1	4.0	1,473.9	372.4
Legal Issues	0.1	-	-	0.5	-	-	0.6	387.6	608.7
Other Assets	-	-	-	0.6	-	-	0.6	325.7	520.0
Other Matters	-	-	-	0.7	26.7	0.6	28.0	10,805.2	385.3
Reporting	0.1	0.3	-	0.9	1.2	1.9	4.3	1,705.9	398.2
Property	-	-	-	-	-	-	-	-	-
Statutory Duties	0.1	0.3	-	0.3	4.8	2.9	8.4	3,045.4	362.1
VAT & Taxation	0.0	-	-	0.4	0.6	0.3	1.3	516.2	390.7
Total Hours	0.5	4.5	0.0	9.3	45.5	14.7	74.6		
Time Costs (£)	471.29	3,581.05	28.63	4,926.29	17,371.89	3,449.48		29,828.63	
Average Hourly Rate (£)	913.7	787.5	680.0	531.5	382.0	234.1		399.9	

Comparison with fee estimate dated 2 July 2020

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Administration & Planning	8.0	3,115.00	389	3.9	1,437.37	365.60	10.2	3,564.32	350
Creditors	8.0	3,900.00	488	1.4	432.87	300.16	4.5	2,352.71	517
Debtors	-	-	-	0.7	350.32	478.85	1.0	517.26	512
Employees	-	-	-	-	-	-	0.1	38.32	520
Immediate Tasks	11.0	3,710.00	337	-	-	-	4.2	2,128.66	507
Investigation & CDDA	14.0	5,515.00	394	-	-	-	7.3	2,967.53	407
Job Acceptance & Strategy	4.0	1,845.00	461	0.2	125.95	556.51	4.0	1,473.89	372
Legal Issues	-	-	-	0.3	195.16	579.38	0.6	387.63	609
Other Assets	-	-	-	-	-	-	0.6	325.68	520
Other Matters	4.0	1,845.00	461	0.5	174.92	322.67	28.0	10,805.18	385
Property	-	-	-	3.9	1,388.18	358.85	4.3	1,705.95	398
Reporting	13.0	5,650.00	435	-	-	-	-	-	-
Statutory Duties	11.0	4,050.00	368	4.7	1,797.16	378.56	8.4	3,045.35	362
VAT & Taxation	3.0	1,335.00	445	0.2	72.47	405.00	1.3	516.16	391
Total	76.0	30,965.00	407	16.0	5,974.39	373	74.6	29,828.63	400

Explanation of the work done

We have provided below a summary of the work that has been required in the liquidation to date:

- Administration & Planning –filing and maintaining the Joint Liquidators' records, maintaining the Joint Liquidators' accounting and cashiering records.
- Creditors – notifying creditors of the Joint Liquidators' appointment, advertising for creditor claims in the London Gazette.
- Debtors – making enquiries into the existence of intercompany balances due to the company from other group companies and whether realisations will be achievable for the benefit of the liquidation. Submitting intercompany creditor claims where applicable.
- Employees – making enquiries into the existence of any pension schemes linked to the Company.
- Immediate Tasks – time spent in completing immediate on appointment duties and filings as required by statute and professional practice.
- Investigations – completing the Joint Liquidators' statutory enquiries into the Company's affairs and the conduct of former directors, submitting a confidential report to the Secretary of State on the conduct of all former directors in the three-year period prior to insolvency.
- Job & Acceptance & Strategy – time spent in complying with EY's internal compliance and job acceptance procedures prior to accepting an appointment as required by statute and professional practice.
- Legal Issues – discussions with legal advisers regarding the potential for subrogated claims from the administration of Spicers Limited in the liquidation as a result of cross guarantees.
- Other Assets – review of the intercompany receivable/payable position between the Company and other group companies.
- Other Matters – work completed in relation to liquidator resignation and successor appointment, case progression and strategy, internal review of case files.
- Reporting – preparing statutory annual progress reports to members and creditors.
- Statutory Duties –complying with statutory tasks throughout the duration of the liquidation, ensuring filings with Companies House are completed in a timely manner.
- VAT & Taxation – notifying HMRC of the commencement of the liquidation and working to agree the Company's tax position with HMRC.