

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

# 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	8	8	4	5	4	8
Company name in full	Stills Works Limited							

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

### 2 Liquidator's name

Full forename(s)	John Dean
Surname	Cullen

### 3 Liquidator's address

Building name/number	2 Sovereign Quay
Street	Havannah Street
Post town	Cardiff
County/Region	
Postcode	C F 1 0 5 S F
Country	

### 4 Liquidator's name ①

Full forename(s)	Bethan Louise
Surname	Evans

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

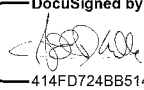
### 5 Liquidator's address ②

Building name/number	2 Sovereign Quay
Street	Havannah Street
Post town	Cardiff
County/Region	
Postcode	C F 1 0 5 S F
Country	

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

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Notice of progress report in voluntary winding up

6	Period of progress report											
From date	<div>d</div> <div>1</div>	<div>d</div> <div>0</div>	<div>m</div> <div>0</div>	<div>m</div> <div>5</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	<div>y</div> <div>2</div>	<div>y</div> <div>2</div>				
To date	<div>d</div> <div>0</div>	<div>d</div> <div>9</div>	<div>m</div> <div>0</div>	<div>m</div> <div>5</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	<div>y</div> <div>2</div>	<div>y</div> <div>3</div>				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div>Signature</div> <div>X</div> <div>DocuSigned by:</div> <div></div> <div>414FD724BB51443...</div>								<div>X</div>			
Signature date	<div>d</div> <div>3</div>	<div>d</div> <div>1</div>	<div>m</div> <div>0</div>	<div>m</div> <div>5</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	<div>y</div> <div>2</div>	<div>y</div> <div>3</div>				

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 **Gareth Cummings**

Company name **Menzies LLP**

Address **2 Sovereign Quay**

**Havannah Street**

Post town **Cardiff**

County/Region

Postcode **C F 1 0 5 S F**

Country

DX **DX 200767 Cardiff Bay**

Telephone **029 2049 5444**

**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)**

**Stills Works Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 10/05/2022 To 09/05/2023 £	From 10/05/2019 To 09/05/2023 £
	<b>SECURED ASSETS</b>		
Uncertain	Investment	NIL	4,501.00
9,000.00	Business, IPR and Intangibles	NIL	9,000.00
(205,162.27)	The Development Bank of Wales	NIL	(8,504.00)
44,503.01	Book Debts	NIL	NIL
(14,728.44)	Advantage Commercial Finance Limit	NIL	NIL
	Liquidator's remuneration	NIL	(5,000.00)
	Bank Interest Gross	NIL	3.00
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
	Bank Interest Gross	NIL	8.43
NIL	Development costs	NIL	NIL
NIL	Land & Building	NIL	NIL
6,000.00	Office Furniture & Equipment	NIL	6,000.00
	Petty cash	NIL	73.93
		NIL	6,082.36
	<b>COST OF REALISATIONS</b>		
	Agents/Valuers Fees	NIL	3,500.00
	Preparation of S. of A.	NIL	2,333.29
	Statutory Advertising	NIL	249.07
		NIL	(6,082.36)
	<b>UNSECURED CREDITORS</b>		
(66,133.19)	Banks	NIL	NIL
(36,796.00)	HM Revenue & Customs - PAYE	NIL	NIL
(45,205.00)	HM Revenue & Customs - VAT	NIL	NIL
(81,100.93)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(389,722.82)</b>		<b>NIL</b>	<b>0.00</b>
	<b>REPRESENTED BY</b>		
			<b>NIL</b>

**Note:**

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

**STILLS WORKS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION**

JOINT LIQUIDATORS' PROGRESS REPORT PURSUANT TO SECTION 104A OF THE INSOLVENCY  
ACT 1986 AND RULE 18.2 OF THE INSOLVENCY (ENGLAND & WALES) RULES 2016

FOR THE PERIOD 10 MAY 2022 TO 9 MAY 2023

DATED 31 MAY 2023

## STILLS WORKS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – (“THE COMPANY”)

### ANNUAL PROGRESS REPORT

#### CONTENTS

1. Introduction and executive summary
2. Progress/asset realisations
3. Investigations
4. Liabilities and dividend prospects
5. Pre-appointment fees
6. Joint Liquidators' remuneration and expenses
7. Creditors' rights to further information and to challenge liquidators' remuneration and expenses
8. Further information
9. Concluding remarks

#### APPENDICES

1. Statutory information
2. Joint Liquidators' receipts and payments account
3. Joint Liquidators' analysis of time costs and narrative of work undertaken
4. Joint Liquidators' comparison of original fee estimate, and actual time costs incurred
5. Comparison of estimated expenses and actual costs incurred

## 1. INTRODUCTION AND EXECUTIVE SUMMARY

1.1 I was appointed Joint Liquidator of the Company on 10 May 2019. I now present my progress report for the fourth year of the liquidation, pursuant to Section 104A of the Insolvency Act 1986 ("the Act") and Rule 18.2 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

1.2 The Company's statutory information is attached at Appendix 1 of this report.

### Executive summary

1.3 As at the date of my appointment, the Company had ceased trading and accordingly I took steps to realise the remaining assets with a view to distributing the funds to creditors, after costs, in the prescribed order of priority. No realisations or payments were made during the reporting period. As Liquidator, I am also obliged to investigate the Company's affairs, and creditors may recall that I identified certain transactions that may be pursued for the benefit of the liquidation estate. During the reporting period, I have been provided with additional information regarding those transactions, and my investigations remain ongoing as discussed in section 3 below.

1.4 The manner in which the affairs of the Company have been managed since my last progress report is set out below.

1.5 Based on current known information about the Company's financial position, and after taking into account the estimated office holders' fees and expenses, it is anticipated that there will be insufficient realisations to pay a dividend to floating charge, preferential and ordinary unsecured creditors. I refer you to section 4 below.

1.6 My receipts and payments account for the period from 10 May 2022 to 9 May 2023, which I have reconciled to the financial records that I am required to maintain, is attached at Appendix 2. All receipts and payments are shown net of VAT.

1.7 No funds are currently held in the non-interest bearing estate bank accounts.

## 2. PROGRESS / ASSET REALISATIONS

2.1 There have been no asset realisations during the reporting period.

## 3. INVESTIGATIONS

3.1 As previously advised, I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account potential recoveries and potential costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation.

3.2 Matters requiring further investigation that may lead to potential recovery actions were identified, as reported previously, and analysis work was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

3.3 During the reporting period, I have pursued significant claims, and any possibility of a recovery will be dependent on the financial means of the debtors. Consequently, I received information and documentation from one of the debtors, which is being considered, and a further review of the transactions in question is being undertaken.

3.4 This matter remains ongoing and therefore, I am unable at present, to provide further information in respect of the above, as to do so may prejudice a successful outcome.

- 3.5 If you are away of any matters which you believe require my investigation, please advise me accordingly, in writing, providing as much detail as possible with regard to those matters. Any such contact will, of course, be kept confidential.

#### 4. LIABILITIES AND DIVIDEND PROSPECTS

##### Secured creditors

- 4.1 Following an examination of the Company's mortgage register held by the Registrar of Companies, I identified that the Company had granted fixed and floating charges to The Development Bank of Wales (formerly Finance Wales Investments (8) Ltd) ("DBW"), and Advantedge Commercial Finance Limited (formerly Henry Howard Cashflow Finance Limited) ("Advantedge"). In particular, DBW held a charge over the Company's property, and Advantedge held a charge over the Company's book debts.
- 4.2 As at the date of my appointment, Advantedge was owed approximately £14,728.33 (excluding any accruing interest and fees), and DBW was owed approximately £205,162.27. As previously reported, a distribution was paid to DBW of £8,504.00 in respect of their fixed charge over the intellectual property and investments of the Company.
- 4.3 The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case, floating charges were granted by the Company to DBW and Advantedge on 4 January 2016 and 24 June 2016 respectively. As the charge was created after 15 September 2003, the prescribed part provisions of the legislation apply. These require that a share of the floating charge assets are reserved for distribution to unsecured creditors as follows:
- 50% of the first £10,000 of the net property; and
  - 20% of the remaining net property, up to a maximum of £600,000.
- 4.4 On the basis of realisations to date, together with the estimated future realisations, and after considering the costs of the liquidation to date, the net property of the Company is nil, and therefore I am exercising my discretion not to apply the prescribed part provisions on the basis that the cost of making any distribution is disproportionate to the benefit to creditors.

##### Preferential creditors

- 4.5 The statement of affairs did not anticipate any preferential claims within the liquidation, as at the Company's cessation of trade, there were no arrears of wages.
- 4.6 Claims from former employees in respect of arrears of wages, up to a maximum of £800 per employee, and accrued holiday pay rank preferentially in that they are paid ahead of floating charge and ordinary unsecured creditors. Where an employee's claim is paid by the RPS, the RPS have a subrogated preferential claim in the Liquidation. I am aware that some of the former employees have lodged claims with the Redundancy Payments Service ("RPS") in respect of accrued holiday pay, but I am yet to receive a claim in the estate.
- 4.7 During the reporting period, I submitted the final documentation relating to the Company's pension scheme to the RPS to allow them to make payment to the pension scheme provider and thereafter the pension scheme provider can conclude the scheme. The RPS will then submit their subrogated claim as a preferential creditor in respect of this payment. The pension scheme provider has a preferential claim of £1,541.57 and the RPS has made payment of this sum in respect of the unpaid pension contributions. I am yet to receive their final claim within the liquidation.
- 4.8 Currently, there are insufficient funds within the liquidation estate to enable a dividend to be declared to the preferential creditors.



Non-preferential unsecured creditors

- 4.9 The statement of affairs included 37 unsecured creditors with an estimated total liability of £229,235.12. I have received claims from creditors at a total of £263,965.74. I have not received claims from creditors with original estimated claims in the statement of affairs of £44,281.17.
- 4.10 Currently, there are insufficient funds within the estate to enable a dividend to be paid to the unsecured creditors.

5. PRE-APPOINTMENT FEES

- 5.1 On 10 May 2019, the board authorised the payment of a fee of £5,000 plus VAT to Menzies LLP for assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a Liquidator.
- 5.2 The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator has been part paid from first realisations on appointment and is shown in the enclosed receipts and payments account in the sum of £2,333.29. The remaining balance of £2,666.71 remains unpaid as insufficient floating charge realisations have been made to date.

6. JOINT LIQUIDATORS' REMUNERATION & EXPENSES

*Joint Liquidators' remuneration*

- 6.1 At a virtual meeting of creditors held on 10 May 2019, it was resolved that my remuneration be fixed by reference to time properly spent by myself and my staff in attending to matters arising in the liquidation based on a fees estimate of £21,390. The fees estimate acts as a cap, and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.
- 6.2 My total time costs to 9 May 2023 amount to £87,530.95, representing 351.63 of hours work at a blended charge out rate of £248.93 per hour, of which £18,884.80 was charged in the period since 9 May 2022, at a blended charge out rate of £288.76 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £243.07 in my fees estimate. There is a slight difference in the blended rate charged, compared with the estimated blended rate because of my increased charge out rates and the various colleagues working on the case with different charge out rates.
- 6.3 I attach at Appendix 3, a breakdown of these time costs by work category and staff grade, together with a narrative explanation of work done in the period since my last report to creditors.
- 6.4 I have drawn £5,000.00 to 9 May 2023 of which none was drawn in this reporting period.
- 6.5 Given the size and technical nature of the liquidation, much of the work described in the sections above was undertaken by me, a manager and an administrator. Additional assistance was provided by cashiers dealing with banking and statutory duties, and administrators offering various support services. All time spent on administering various duties was charged directly to the case in 6 minute units.
- 6.6 As at 9 May 2023, the total time costs that I have incurred in the liquidation have exceeded the total estimated remuneration which was set out in my fees estimate, when my remuneration was authorised by the creditors. Please see Appendix 4 which details the actual time costs incurred as compared to the fee estimate provided to creditors in my report dated 7 May 2019. As you will see, the time costs incurred was exceeded by an amount of £66,140.95.

- 6.7 The reasons for exceeding the fee estimate have been the investigation matters, and the reporting to Court in relation to the re-use of the Company's name application. Further to this, time has been spent in asset related matters, including liaising with the secured creditor and purchaser of the business in relation to the book debts and reconciling the funds collected by them. A substantial amount of time has been spent realising the shares held in Mode Configurator, which previously had an uncertain realisable value, but resulted in additional realisations for the liquidation estate. Consequentially, the liquidation has remained open for longer than anticipated and more time than foreseen has been spent on the administrative aspect of the liquidation. This includes preparing and submitting the annual progress reports to creditors, conducting regular file reviews for internal compliance purposes and dealing with taxation matters.
- 6.8 Currently I do not intend to draw remuneration in excess of the fees estimate and so will not be seeking a decision to increase my fees estimate.
- 6.9 I only anticipate needing to seek approval to draw fees in excess of this increased estimate if my additional work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings, and/or circumstances in the case change again such that I find that it is taking longer than anticipated to undertake the work required to complete the case.
- 6.10 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 Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>. There are different versions of these Guidance Notes, and in this case please refer to the version for appointments made after September 2015.

*Professional and sub-contractors' fees, and other expenses*

- 6.11 I have incurred total expenses of £4,341.74 since my appointment as Liquidator of which £34.21 was incurred in the period since my last report to creditors. I have drawn £3,749.07 to 9 May 2023, which was drawn in previous reporting periods.
- 6.12 The following expenses were incurred in the period since my last progress report:

Details of expense	Amount incurred/ accrued in the reporting period
Category 1 Expenses	
Storage costs	£34.21
Category 2 Expenses	
None	£Nil
Total	£34.21

- 6.13 Storage costs of £34.21 were incurred during this period, which remain outstanding due to insufficient funds.
- 6.14 I have used the following agents, professional advisors and subcontractors in the reporting period:
- |                      |                                 |               |
|----------------------|---------------------------------|---------------|
| Professional advisor | Nature of work                  | Basis of fees |
| The Maltings         | Books and records storage agent | Monthly fee   |
- 6.15 The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

- 6.16 Appendix 5 details the expenses I estimated that I would incur in this matter when my remuneration was authorised by the creditors and compares them with those incurred and drawn to date.
- 6.17 As at 9 May 2023 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.
- 6.18 Based on my knowledge of the case to date, I do not anticipate being able to draw my time costs and expenses, which we have estimated at £91,872.69 in full and any recovery of my time costs will be dependent on the outcome of my investigations and a successful recovery. As a result, it is not anticipated that there will be a return to preferential and unsecured creditors.

## **7. CREDITORS' RIGHTS TO FURTHER INFORMATION AND TO CHALLENGE LIQUIDATORS' REMUNERATION AND EXPENSES**

### *Creditors' right to request information*

- 7.1 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with rule 18.9(2) of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

### *Creditors' right to challenge remuneration and/or expenses*

- 7.2 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 18.36(4) or 18.37(4) of the Rules. In accordance with rule 18.34(3) of the Rules such applications must be made within eight weeks of receipt of this report.

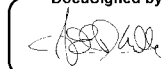
## **8. FURTHER INFORMATION**

- 8.1 The Joint Liquidators are data controllers of personal data as defined by the relevant provisions of the applicable data protection legislation. Menzies LLP will act as a data processor on their instructions. Personal data will be kept secure and processed only for matters relating to the insolvency appointment. Full details of our privacy notice is at the following link: <https://www.menzies.co.uk/legal/>.
- 8.2 To comply with the Provision of Services Regulations, some general information about Menzies LLP, including about our complaints policy and Professional Indemnity Insurance, can be found at <https://www.menzies.co.uk/legal/> and <https://www.menzies.co.uk/helping-you/business-recovery/making-a-complaint/>.

## **9. CONCLUDING REMARKS**

- 9.1 The liquidation will remain open until I have concluded my investigations. I estimate that this will take approximately three to six months to reach a conclusion, and once resolved, I will be in a position to advise if I am able to conclude the liquidation.
- 9.2 I will report again on the progress of the liquidation after the next anniversary of the liquidation or in the final account, whichever is earlier.

- 9.3 If creditors have any queries regarding the conduct of the liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Gareth Cummings by email at [GCummings@menzies.co.uk](mailto:GCummings@menzies.co.uk), or by phone on +44 (0) 29 2067 4995.

DocuSigned by:  
  
414FD724BB51443...

John Dean Cullen  
Joint Liquidator

APPENDIX 1  
STATUTORY INFORMATION

Company name:	Stills Works Limited
Company number:	02884548
Registered office:	2 Sovereign Quay Havannah Street Cardiff CF10 5SF
Former registered office:	The Coach House 2 Sophia Close Cardiff CF11 9HW
Former trading address:	The Coach House 2 Sophia Close Cardiff CF11 9HW
Principal trading activity:	A branding agency
Joint Liquidators' names:	John Dean Cullen and Bethan Louise Evans
Joint Liquidators' address:	2 Sovereign Quay  Havannah Street Cardiff CF10 5SF
Date of appointment:	10 May 2019
Contact details of Joint Liquidators	Gareth Cummings on +44 (0) 29 2067 4995 or at GCummings@menzies.co.uk
Details of any changes of Liquidator:	There have been no changes of Liquidator during the winding up.

Appendix 2  
 Stills Works Limited  
 (In Liquidation)  
 Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 10/05/2022 To 09/05/2023	From 10/05/2019 To 09/05/2023
	<b>SECURED ASSETS</b>		
Uncertain	Investment	NIL	4,501.00
9,000.00	Business, IPR and Intangibles	NIL	9,000.00
(205,162.27)	The Development Bank of Wales	NIL	(8,504.00)
44,503.01	Book Debts	NIL	NIL
(14,728.44)	Advantage Commercial Finance Ltd	NIL	NIL
	Liquidator's remuneration	NIL	(5,000.00)
	Bank Interest Gross	NIL	3.00
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
NIL	Development costs	NIL	NIL
NIL	Land & Building	NIL	NIL
6,000.00	Office Furniture & Equipment	NIL	6,000.00
	Bank Interest Gross	NIL	8.43
	Petty cash	NIL	73.93
		NIL	6,082.36
	<b>COST OF REALISATIONS</b>		
	Preparation of S. of A.	NIL	2,333.29
	Agents/Valuers Fees	NIL	3,500.00
	Statutory Advertising	NIL	249.07
		NIL	(6,082.36)
	<b>UNSECURED CREDITORS</b>		
(81,100.93)	Trade & Expense Creditors	NIL	NIL
(66,133.19)	Banks	NIL	NIL
(36,796.00)	HM Revenue & Customs - PAYE	NIL	NIL
(45,205.00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(389,722.82)		NIL	0.00
	<b>REPRESENTED BY</b>		
			NIL

**Note:**

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

Stills Works Limited (In Liquidation)

Appendix 3

Time charge out summary for the period from 10 May 2022 to 9 May 2023

Classification of Work Function	HOURS					Total Hours	Time Costs £	Blended Hourly Rate £
	Partner/ Director	Manager	Senior	Administrator	Support			
Brought Forward From 9 May 2022						286.23	68,646.15	239.83
Administration & Planning	1.20	12.70	-	9.40	0.60	23.90	5,904.80	247.06
Realisation of Assets	-	-	-	-	-	-	-	-
Creditors	1.00	7.60	-	-	-	8.60	2,743.00	318.95
Investigations	1.50	31.40	-	-	-	32.90	10,237.00	311.16
Total Hours	3.70	51.70	-	9.40	0.60	65.40		
Total Costs	1,888.00	15,591.00	-	1,359.20	46.60		18,884.80	288.76
Total Carried Forward						351.63	87,530.95	248.93

Fees Drawn for Period Ended:

09/05/2020

-

09/05/2021

-

09/05/2022

5,000.00

09/05/2023

-

Total Fees Drawn to Date:

5,000.00

Balance of Time Costs Accrued but Unpaid

82,530.95

## CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

From 1 June 2022

1 Oct 2021 to 31 May 2022

	£ per hour	£ per hour
Partner/Director	500-580	450-525
Manager	300-450	270-400
Senior	270-280	240-250
Administrator	150-220	135-200
Support Staff	120	105

Note 1 There may have been a number of promotions through the various grades during the period of the administration.

Note 2 Overhead costs are reflected in the charge out rates detailed.

Note 3 The charge-out rate of the Insolvency Practitioner for this assignment is currently £530 per hour, and the administrator is £150 per hour.

Note 4 Time is recorded in minimum units of 6 minutes.

## **STILLS WORKS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")**

### **JOINT LIQUIDATORS' NARRATIVE OF WORK UNDERTAKEN IN THE PERIOD 10 MAY 2022 TO 9 MAY 2023**

A description of the work undertaken since my last progress report is as follows:

#### **Administration and planning**

There are certain aspects of the case that are required by statute and for the efficient running of the case. They are not expected to provide a direct quantifiable benefit to creditors; however, without them, other aspects of the case which do provide a quantifiable benefit to creditors would be less efficient.

They include the maintenance of physical case files and electronic case management information, periodic review of files, strategic case planning and the routine administration of the case, preparation of documentation and reports, and dealing with correspondence and statutory advertising.

Specifically:

#### **Reporting**

Preparation of a progress report to members and creditors for circulation following the anniversary of the case to advise upon the progress made over the year.

#### **Cashiering**

Lodging receipts, preparing and processing invoices for payments, reconciling the bank account, and producing the receipts and payments account.

Time was spent in the preparation and submission of the annual corporation tax return to HMRC and subsequent correspondence from them following submission.

During the reporting period, time was spent in dealing with correspondence received from The Registrar of Companies regarding the filing of the necessary form to terminate one of the directors' appointment.

#### **Asset realisations**

Net asset realisations provide the financial benefit to creditors and their quantum directly contributes to any dividend ultimately available to creditors.

No time has been allocated to asset related matters during the period to which this report relates.

#### **Investigations**

Complying with statutory requirements will not necessarily produce a financial benefit to creditors but may identify potential avenues which could lead to a recovery for the benefit of creditors.

#### **Further investigation**

Time has been spent reviewing the transactions identified and demanding sums from the debtors.

I have been in correspondence with the supervisor of one of the debtors Individual Voluntary Arrangement ("IVA") and submitted a claim in the IVA. I have also liaised with the supervisor of the IVA in relation to the termination of the IVA. Time has also been spent checking the Individual Insolvency Register as it was reported that the debtor was going to file for bankruptcy.



Time has been spent reviewing documentation provided by one of the debtor's and undertaking a further analysis of the transactions whilst considering the new information which had come to light. Time was also spent reviewing the electronic financial records of the Company.

#### Creditors (claims and distribution)

##### General

Time spent in this category included dealing with routine correspondence and queries and taking telephone calls from creditors and maintaining creditor information on the electronic case management files as well as the physical case files. Time has also been spent corresponding with creditors in respect of the dividend prospects.

During the period, I have prepared and served a notice of disclaimer in respect of the Company's former trading premises and lodged the necessary form at Companies House.

##### Secured creditors

Time has been spent liaising with DBW in relation to their secured claim and making a distribution to them in respect of the claim.

##### Preferential creditors

I have been in correspondence with the RPS regarding a claim for the Company's unpaid pension contributions and uploaded additional documentation as requested. Time was also spent liaising with the RPS to confirm the payment had been made to the Company's pension scheme provider.

## STILLS WORKS LIMITED - IN LIQUIDATION

## APPENDIX 4

## JOINT LIQUIDATORS' COMPARISON OF FEE ESTIMATE AND TIME COSTS INCURRED

Classification of Work Function	Fee Estimate			Actual - 10/05/2019 - 09/05/2023		
	Total Hours	Total Time Costs	Blended Hourly Rate	Total Hours	Total Time Costs	Blended Hourly Rate
		£	£		£	£
Administration & Planning	29.00	6,175.00	212.93	177.90	40,905.95	232.28
Realisation of Assets	22.00	5,375.00	244.32	31.60	8,203.00	262.73
Creditors	14.00	4,020.00	287.14	46.50	12,542.00	268.06
Investigations	23.00	5,820.00	253.04	95.30	25,880.00	256.53
Total Hours	88.00			351.30		
Total Time Costs		21,390.00			87,530.95	
Blended Hourly Rate			243.07			249.16
Total Fees Drawn to date					5,000.00	
Balance of Time Costs Accrued but Unpaid					82,530.95	

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS		
	<u>From 1 June 2022</u>	<u>1 Oct 2021 to 31 May 2022</u>
	£ per hour	£ per hour
Partner/Director	500-580	450-525
Manager	300-450	270-400
Senior	270/280	240-250
Administrator	150-220	135-200
Support Staff	120	105
Note 1	There may have been a number of promotions through the various grades during the period of the administration.	
Note 2	Overhead costs are reflected in the charge out rates detailed.	
Note 3	The charge-out rate of the Insolvency Practitioners for this assignment is currently £530 per hour, and the administrator is £150 per hour	
Note 4	Time is recorded in minimum units of 6 minutes.	

## APPENDIX 5

**STILLS WORKS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")**  
**JOINT LIQUIDATORS' COMPARISON OF ESTIMATED EXPENSES AND ACTUAL COSTS INCURRED**  
**AND PAID**

Details of Expense	Estimated amount £	Incurred prior to the period £	Incurred in the period £	Incurred to date £	Paid prior to the period £	Paid during the period £	Total paid £
<u>Category 1 expenses</u>							
Statutory advertising	£320.00	£249.07	£0.00	£249.07	£249.07	£0.00	£249.07
Specific penalty bonding	£160.00	£80.00	£0.00	£80.00	£0.00	£0.00	£0.00
Land registry fees	£0.00	£6.00	£0.00	£6.00	£0.00	£0.00	£0.00
<u>Professional and Sub-Contractors' fees</u>							
Debt collection fees	£2,500.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Valuers fees	£3,500.00	£3,500.00	£0.00	£3,500.00	£3,500.00	£0.00	£3,500.00
<u>Agents' fees</u>							
Storage costs	£500.00	£472.46	£34.21	£506.67	£0.00	£0.00	£0.00
<u>Category 2 expenses</u>							
None	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Totals	£6,980.00	£4,307.53	£34.21	£4,341.74	£3,749.07	£0.00	£3,749.07

## EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. The term expenses also includes disbursements which are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

## Category 1 Expenses

Specific expenditure relating to the administration of the insolvent estate and payable to a person or persons who are not associates of the office holder is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 expenses will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, sub-contractors' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

## Category 2 Expenses

These are expenses that are directly referable to the administration of the insolvent estate and are made to associates of the officeholder or have an element of shared costs.

Category 2 Expenses require creditor approval.

Menzies LLP do not as a matter of policy seek approval of, or claim any, Category 2 expenses other than those which are paid to associates of the office holder.