

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

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.

LIQ03
Notice of progress report in voluntary winding up

6		Period of progress report																
From date	d		d		m		m		y		y		y		y			
	1		0		0		5		2		0		2		0			
To date	d		d		m		m		y		y		y		y			
	0		9		0		5		2		0		2		1			
7		Progress report																
		<input checked="" type="checkbox"/> The progress report is attached																
8		Sign and date																
Liquidator's signature	Signature																	
	<div><div>X</div><div><div>DocuSigned by:</div><div></div><div>C05673676A12475...</div></div><div>X</div></div>																	
Signature date	d		d		m		m		y		y		y		y			
	0		8		0		7		2		0		2		1			

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 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

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

Statement of Affairs £		From 10/05/2020 To 09/05/2021 £	From 10/05/2019 To 09/05/2021 £
	SECURED ASSETS		
Uncertain	Investment	NIL	4,501.00
9,000.00	Business, IPR and Intangibles	4,000.00	9,000.00
(205,162.27)	The Development Bank of Wales	NIL	NIL
44,503.01	Book Debts	NIL	NIL
(14,728.44)	Advantagedge Commercial Finance Limit	NIL	NIL
		4,000.00	13,501.00
	ASSET REALISATIONS		
	Bank Interest Gross	4.51	10.46
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
		4.51	6,084.39
	COST OF REALISATIONS		
	Agents/Valuers Fees	NIL	3,500.00
	Preparation of S. of A.	(166.71)	2,333.29
	Specific Bond	(80.00)	NIL
	Statutory Advertising	NIL	249.07
		246.71	(6,082.36)
	UNSECURED CREDITORS		
(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
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(389,722.82)		4,251.22	13,503.03
	REPRESENTED BY		
	Barclays Bank - Fixed(IB)		13,503.03
			13,503.03

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 2020 TO 9 MAY 2021

DATED 7 JULY 2021

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

ANNUAL PROGRESS REPORT

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4. Investigations
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8. Further Information
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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
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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 second 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 Each creditor has a right under Regulation 11(2) of the Insolvency Regulations 1994 to require the Liquidators to supply a statement of receipts and payments free of charge.

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

Executive summary

1.4 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. The Company's business and assets were sold to Stills Creative Limited, an unconnected third party for the sum of £15,000. Floating charge realisations to date total £6,084.39 and fixed charge realisations to date total £13,501. As Liquidator, I was also obliged to investigate the company's affairs. The Company granted debentures to The Development Bank of Wales ("DBW") (formerly Finance Wales Investments (8) Ltd) and Advantedge Commercial Finance Limited ("Advantedge") (formerly Henry Howard Cashflow Finance Limited) on 4 January 2016 and 24 June 2016 respectively. At the outset it was anticipated that there would be no preferential creditors as the former employees had found alternative employment following the Company's cessation of trade. It was also anticipated that I would not be in a position to declare a dividend to any class of creditor and this continues to be the case.

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

1.6 My receipts and payments account for the period from 10 May 2020 to 9 May 2021, 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 The balance of funds amounting to £13,503.03 in the fixed charge account are held in an interest bearing estate bank account.

2. PROGRESS/ASSET REALISATIONS

Business, IPR and Intangibles

2.1 As previously advised, the business, IPR and intangibles were sold for £9,000 plus VAT to Stills Creative Limited ("Stills Creative"), an unconnected third party for £9,000 plus VAT. Payment terms were agreed at nine monthly payment of £1,200. During the reporting period, the sum of £4,000 plus VAT was received and you will note from the receipts and payments account, the sum of £9,000 plus VAT has now been received. Therefore, there will be no further realisations in respect of the business, IPR and intangibles. The business, IPR and intangibles were subject to a fixed charge in favour of DBW.

Bank interest gross

2.2 The only other asset realisation has been bank interest in the sum of £4.51 which had accrued on the account held for the purpose of the liquidation.

3. LIABILITIES AND DIVIDEND PROSPECTS

Secured creditors

- 3.1 On my appointment I was aware that the Company had granted fixed and floating charges to The Development Bank of Wales (formerly Finance Wales Investments (8) Ltd) and Advantedge Commercial Finance Limited (formerly Henry Howard Cashflow Finance Limited). In particular, Advantedge Commercial Finance Limited ("Advantedge") held a charge over the Company's book debts. As at the date of my appointment Advantedge was owed approximately £14,728.44 (excluding any accruing interest and fees) and Development Bank of Wales was owed approximately £205,162.27. No payments have been made to the secured creditors to date. A distribution will be made to DBW under its fixed charge shortly.

- 3.2 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 The Development Bank of Wales ("DBW") and Advantedge Commercial Finance Limited on 4 January 2016 and 24 June 2016 respectively. The prescribed part is calculated as 50% of the first £10,000 of floating charge realisations plus 20% of all other floating charge realisations, subject to a maximum prescribed part of £600,000. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the Liquidation to date, the net property of the Company is less than £10,000.

Preferential creditors

- 3.3 The statement of affairs did not anticipate claims in respect of preferential creditors as at the Company's cessation of trade, there were no arrears of wages. 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 liquidation.
- 3.4 During the reporting period, I have also been liaising with the Company's pension scheme provider in relation to unpaid pension contributions and I am currently awaiting the relevant form from them to claim the unpaid contributions from the RPS. Subsequent to the reporting period, the relevant form has been submitted to the Redundancy Payments Service to process the form and make payment to the pension scheme provider.

- 3.5 There are currently insufficient funds to enable a dividend to be paid to the preferential creditors.

Non-preferential unsecured creditors

- 3.6 The statement of affairs included thirty-eight unsecured creditors with an estimated total liability of £229,235.12. I have received claims from eighteen creditors at a total of £262,857.56. I have not received claims from twenty creditors with original estimated claims in the statement of affairs of £40,474.35. Several creditors have claimed who were not listed on the statement of affairs and HM Revenue and Customs have submitted a combined claim for all departments totalling £135,068.18 compared to the statement of affairs figure of £82,001.

- 3.7 There are currently insufficient funds to enable a dividend to be paid to the unsecured creditors

4. INVESTIGATIONS

- 4.1 As previously advised, the Company's books and records were recovered, listed and analysed in order to ascertain whether there were any potential asset recoveries that required further action. I have also performed a detailed bank analysis and certain transactions have been identified which require further investigation.

- 4.2 The transactions identified have been reviewed further and I have conducted searches to ascertain certain information to ascertain information which may assist me when taking into account the recoverability of the sums concerned.
- 4.3 It is my intention to shortly instruct a debt collector to pursue the sums identified in the transactions, but as stated above, the possibility of any recover is dependent on the financial position of the individuals concerned.
- 4.4 Matters requiring further investigation that may lead to potential recovery actions have been identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.
- 4.5 I am sure you will appreciate that I am unable to provide any specific information with regard to these matters, as to do so may prejudice a successful outcome.
- 4.6 If you are aware 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.

5. PRE-APPOINTMENT FEES

- 5.1 The board previously 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. Therefore, £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 as set out in the 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 2021 amount to £54,683.55, representing 230.73 hours of work at a blended charge out rate of £237 per hour, of which £15,381.50 was charged in the period since 9 May 2020, at a blended charge out rate of £230.73 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £243.07 in my fees estimate. The blended rate charged, compared with the estimated blended rate is lower than anticipated as some elements of the work has been undertaken at a junior level.
- 6.3 I have not been able to draw any remuneration in this period.
- 6.4 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.
- 6.5 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 a senior 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 2021, 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 £33,293.55.
- 6.7 The reasons for exceeding the fee estimate are the work undertaken in relation to investigation matters where certain transactions have been identified which may provide realisations for the benefit of creditors if pursued and the reporting to Court in relation to the re-use of company name application. Another reason has been the time spent in asset related matters such as liaising with the secured creditor and purchaser of the business in relation to the book debts and reconciling funds collected by them.
- 6.8 A substantial amount of time has been spent in realising the shares held in Mode Configurator which previously had an uncertain realisable value, but resulted in additional realisations for the liquidation estate. All of the above matters have contributed to the liquidation remaining open for more than one year than was not originally envisaged in my fees estimate.
- 6.9 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.
- 6.10 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 after September 2015.

Professional and sub-contractors' fees, and other expenses

- 6.11 I have incurred total expenses of £4,258.39 since my appointment as Liquidator of which £220.76 was incurred in the period since my last report to creditors. I have drawn £3,749.07 to 9 May 2021.
- 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	
Books and records storage	£220.76
Category 2 Expenses	
None	£Nil

- 6.13 Storage costs of £220.76 were incurred during this period, which have not been paid.
- 6.14 During the reporting period, I have repaid funds taken in respect of the recharge of the specific penalty bond of £80 and statement of affairs fee in the sum of £166.71.

6.15 I have used the following agents, professional advisors and subcontractors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Hicks Day Jones Westlake	Valuer/Auctioneer	Percentage of realisations
P A Miller	Books and records collection/storage	Time costs & quarterly fee
Courts Advertising Ltd	Statutory advertising	Fixed fee
Marsh Ltd	Specific penalty bond	Fixed fee
HM Land Registry	Search fees	Fixed fee

6.16 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.

6.17 As previously reported, P A Miller was instructed to assist with the collection and storage of the Company's physical books and records and the sum of £220.76 was incurred in the reporting period. Due to insufficient floating charge asset realisations in the liquidation estate, the sum of £423.32 remains outstanding. P A Miller is not associated with either of the Joint Liquidators.

6.18 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.

6.19 As at 9 May 2021 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.

6.20 Based on my knowledge of the case to date, I do not anticipate being able to draw my time costs and expenses, which I have estimated at £28,370 in full. Any of my time costs to be drawn will be subject to approval from DBW. 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 and the outstanding pension scheme contributions have been settled and the Company's pension scheme has been properly wound up. I estimate that this will take approximately 1 year and once resolved, I will be in a position 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 draft 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, or by phone on +44 (0) 29 2067 4995.

DocuSigned by:

C05673676A12475...

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 10/05/2020 To 11/06/2021	From 10/05/2019 To 11/06/2021
SECURED ASSETS			
Uncertain	Investment	NIL	4,501.00
9,000.00	Business, IPR and Intangibles	4,000.00	9,000.00
(205,162.27)	The Development Bank of Wales	NIL	NIL
44,503.01	Book Debts	NIL	NIL
(14,728.44)	Advantage Commercial Finance Limit	NIL	NIL
		<u>4,000.00</u>	<u>13,501.00</u>
ASSET REALISATIONS			
NIL	Development costs	NIL	NIL
NIL	Land & Building	NIL	NIL
6,000.00	Office Furniture & Equipment	NIL	6,000.00
	Bank Interest Gross	4.85	10.80
	Petty cash	NIL	73.93
		<u>4.85</u>	<u>6,084.73</u>
COST OF REALISATIONS			
	Specific Bond	80.00	NIL
	Preparation of S. of A.	166.71	(2,333.29)
	Agents/Valuers Fees	NIL	(3,500.00)
	Statutory Advertising	NIL	(249.07)
		<u>246.71</u>	<u>(6,082.36)</u>
UNSECURED CREDITORS			
(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
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(389,722.82)</u>		<u>4,251.56</u>	<u>13,503.37</u>
REPRESENTED BY			
	Barclays Bank - Fixed(IB)		13,503.37
			<u>13,503.37</u>

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

Appendix 3

Time charge out summary for the period from 10 May 2020 to 9 May 2021

Classification of Work Function	HOURS					Total Hours	Time Costs	Blended Hourly Rate
	Partner/ Director	Manager	Senior	Administrator	Support		£	£
Brought Forward From 09/05/2020						165.20	39,302.05	237.91
Administration & Planning	4.10	13.93	28.10	5.30	5.50	56.93	13,291.00	233.45
Realisation of Assets	0.00	0.20	2.10	1.60	0.00	3.90	839.00	215.13
Creditors	0.50	0.30	3.20	0.00	0.30	4.30	1,086.00	252.56
Investigations	0.30	0.00	0.10	0.00	0.00	0.40	165.50	413.75
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.90	14.43	33.50	6.90	5.80	65.53		
Total Costs	2,304.00	3,620.50	7,705.00	1,172.00	580.00		15,381.50	234.71
Total Carried Forward						230.73	54,683.55	237.00
Fees Drawn for Period Ended:								
9 May 2020								0.00
9 May 2021								0.00
Total Fees Drawn to Date:								0.00
Balance of Time Costs Accrued but Unpaid								54,683.55

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS		
	From 1 October 2020	1 Oct 2019 to 30 Sept 2020
	£ per hour	£ per hour
Partner/Director	425-525	400-525
Manager	260-360	260-350
Senior	230-250	230-250
Administrator	100-205	100-205
Support Staff	100	100-135
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 £475 per hour, and the administrator is £260 per hour.	
Note 4	Time is recorded in minimum units of 6 minutes.	

STILLS WORKS LIMITED - IN LIQUIDATION ("the Company")

JOINT LIQUIDATORS' NARRATIVE OF WORK UNDERTAKEN IN THE PERIOD 10 MAY 2020 TO 9 MAY 2021

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

1 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.

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

Time has been spent preparing and processing invoices for payments and reconciling the bank account and producing the receipts and payments account. Time has been spent regularly checking the estate bank account for the receipt of the deferred consideration payments.

Time has been incurred in the preparation and submission of VAT returns to HM Revenue and Customs ("HMRC") and also preparing and submitting the relevant form to deregister the Company for VAT. Time was also incurred preparing and submitting the final VAT return following the deregistration of the Company.

Time was spent corresponding with HMRC in respect of their request for a corporation tax return for the pre-appointment period.

Time was also incurred in reviewing the information surrounding the sale of the Company's assets to enable the annual corporation tax return and computation to be prepared for submission to HMRC.

2 Asset realisations

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

Time has been spent posting interest which had accrued on the account held for the purposes of the liquidation.

Time costs were incurred in correspondence with the local Council in relation to a non-domestic charge notice in relation to the former trading address of the Company.

Time was also spent reviewing the sale purchase agreement and liaising with the purchaser of the company's assets in relation to the payment of the deferred consideration payments. Time was incurred providing bank details to receive the outstanding payments into a fixed charge bank account and confirming receipt of the funds.

3 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 costs were incurred in relation to a search of the individual insolvency register to obtain details of the former directors individual voluntary arrangement and the insolvency practitioner who had conduct of the case.

4 Creditors (claims and distribution)

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.

A large proportion of the time incurred has been in liaising with the Company's pension provider, B&CE to obtain further information in respect of the outstanding pension contributions. Time has been spent completing the relevant documents to enable the outstanding sums to be claimed from the Redundancy Payments Service and providing them to B&CE to complete their relevant section.

Time has also been spent in corresponding with a scheme member who was reaching retirement age to explain the position regarding the outstanding pension contributions.

Time was also incurred in reporting to DBW in respect of the liquidation to date and the fixed charge realisations made and funds held.

Further time was spent in dealing with return to sender mail which entailed conducting various searches to obtain a current correspondence address for the creditor and re-issuing the original documentation.

Stills Works Limited - In Creditors' Voluntary Liquidation

Appendix 4- Fee estimate comparison against time costs incurred

Classification of Work Function	Fee Estimate			Actual - 10/05/2019-09/05/2021		
	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	107.63	23,353.05	216.98
Realisation of Assets	22.00	5,375.00	244.32	30.30	7,857.00	259.31
Creditors	14.00	4,020.00	287.14	30.70	7,758.50	252.72
Investigations	23.00	5,820.00	253.04	62.10	15,715.00	253.06
Total Hours	88.00			230.73		
Total Time Costs		21,390.00			54,683.55	
Blended Hourly Rate			243.07			237.00
Total Fees Drawn to date		0.00				
Balance of Time Costs Accrued but Unpaid		54,683.55				

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

	From 1 October 2020	1 Oct 2019 to 30 Sept 2020
	£ per hour	£ per hour
Partner/Director	425-525	400-525
Manager	260-360	260-350
Senior	230-250	230-250
Administrator	100-205	100-205
Support Staff	100	100-135

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.

The charge-out rate of the Insolvency Practitioner for this assignment is currently £475 per hour, and the administrator is

Note 3 £260 per hour

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

APPENDIX 5

STILLS WORKS LIMITED - IN LIQUIDATION ("the Company")

JOINT LIQUIDATORS' COMPARISON OF ESTIMATED EXPENSES AND ACTUAL COSTS INCURRED AND PAID

Details of Expense	Estimated amount £	Incurred / Accrued in period since last report £	Total incurred /accrued to date £	Paid in period since last report £	Total paid to date £
<u>Category 1 Expenses</u>					
Statutory advertising - various notices relating to the company have to be placed in the London Gazette	320.00	Nil	249.07	Nil	249.07
Specific penalty bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets	160.00	Nil	80.00	Nil	Nil
Land Registry fees	Nil	Nil	6.00	Nil	Nil
<u>Professional and Sub-Contractors' Fees</u>					
Nicholas Westlake FRICS of Hicks Day Jones & Westlake, a professional firm of independent agents, have been instructed by the liquidator to undertake an independent valuation of the Company's assets and market these assets for sale. Their fees were incurred on a percentage of realisations	3,500.00	Nil	3,500.00	Nil	3,500.00
Debt collection fees. Anticipated but not required as no surplus was assigned to the liquidation.	2,500.00	Nil	Nil	Nil	Nil
<u>Agent's Fees</u>					
Collection, listing and storage of books and records - An agent has been instructed to collect the books and records of the Company. The books and records will be stored by the agent throughout the period of the liquidation and for one year following the dissolution of the Company. The agents fees are based on a timecosts and quarterly fee basis	500.00	220.76	423.32	Nil	Nil
<u>Category 2 Expenses</u>					
None	Nil	Nil	Nil	Nil	Nil
Totals	6,980.00	220.76	4,258.39	0.00	3,749.07

MENZIES LLP'S EXPENSES RECOVERY POLICY

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, telephone calls, postage, 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 do not seek approval of, or claim any, Category 2 expenses other than those which are paid to associates of the office holder.