

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 3 4 8 1 7 3 4

Company name in full Belson & Sykes Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Philip James

Surname Watkins

3 Liquidator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

4 Liquidator's name ①

Full forename(s) Paul David

Surname Allen

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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Period of progress report

From date	^d 2	^d 7	^m 0	^m 2	^y 2	^y 0	^y 2	^y 0
To date	^d 2	^d 6	^m 0	^m 2	^y 2	^y 0	^y 2	^y 1

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X

Ally. L...

X

Signature date

^d 2	^d 0	^m 0	^m 4	^y 2	^y 0	^y 2	^y 1
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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 **Dominic Roberts**

Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

110 Cannon Street

Post town **London**

County/Region

Postcode **E C 4 N 6 E U**

Country

DX **cp.london@frpadvisory.com**

Telephone **020 3005 4000**



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

FRP

BELSON & SYKES LIMITED (IN LIQUIDATION) ("THE COMPANY")

The Liquidators' Progress Report for the period 27/02/2020 – 26/02/2021
pursuant to section 104A of the Insolvency Act 1986 of the Insolvency (England
and Wales) Rules 2016

20 April 2021

Contents and abbreviations



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2.	Estimated outcome for the creditors
3.	Liquidators’ remuneration, disbursements and expenses
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B.	Liquidators’ Receipts & Payments Account for the both the Period and cumulatively
C.	A schedule of work
D.	Details of the Liquidators’ time costs and disbursements for both the Period and cumulatively
E.	Statement of expenses incurred in the Period

The following abbreviations may be used in this report:

FRP	FRP Advisory Trading Limited
The Company	Belson & Sykes Limited (In Liquidation)
The Liquidators	Philip James Watkins and Paul David Allen of FRP Advisory Trading Limited
The Former Administration	The Administration of the Company (from 22/02/2016 – 27/02/2018)
The Period	The reporting period 27/02/2020 - 26/02/2021

Belson & Sykes Limited (In Liquidation)
The Liquidators’ Progress Report

CVL	Creditors’ Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
The Property	The House, the Small House and the Land
The House	A three-bedroom house in North Yorkshire
The Small House	A two-bedroom house in North Yorkshire
The Land	6.6 acres of farmland sold during the Former Administration
Claims	Legal claims in relation to the sale of and the granting of a legal charge over the Property
DLAs	Directors’ Loan Accounts
The Directors	Timothy Euan Belson, Nigel Ashley Sykes and Eleanor Belson
Respondents	The Directors, Mr Kjellin and Jewellery Direct Supply Limited

1. Progress of the liquidation

FRP

On 22 February 2016, the Company entered administration and Paul David Allen and I were appointed as the Administrators of the Company.

On 27 February 2018, the Former Administration concluded, and the Company entered CVL. Paul David Allen and I were appointed as the Liquidators of the Company.

As detailed in reports submitted in the Former Administration, my investigations into the sale of the House and Small House, the loan and legal charge granted to an associate of the directors, into the Company's business and affairs have resulted in significant claims being identified and pursued ("the Claims").

In addition, my investigations into the Company's accounts identified that the Directors' Loan Accounts ("DLAs") were overdrawn at the date of the commencement of the Former Administration and significant sums were due to the Company in this regard.

We attach at Appendix C a schedule of work undertaken during the Period together with a summary of work still to be completed.

During the Period we focused on pursuing legal proceedings against the Respondents.

Following advice of my solicitors, we entered into Standstill Agreements with the respondents to the Claims which postponed the limitation deadline of the Claims until 30 November 2020, thus allowing legal correspondence and negotiations to continue without preventing our ability to issue proceedings.

Following protracted correspondence and shortly before the end of the period agreed in the Standstill Agreement and prior to our application to Court being issued, a full and final settlement was agreed. Accordingly, on 25 November 2020 a Settlement Agreement was executed whereby the Respondents would jointly and severally pay

£300,000 to settle the disputes between all parties. The sums were paid in two tranches £250,000 on 30 November 2020 and £50,000 plus interest on 29 January 2021.

Attached at Appendix B is a receipts and payments account detailing both transactions for the Period and also cumulatively since our appointment as Liquidators.

Part of our duties include carrying out proportionate investigations into what assets the Company has, including any potential claims that could be brought by the Company or by us in our capacity as Liquidators against any party which could result in a benefit to the estate.

Following our investigations in the Former Administration and the advice of our solicitors and Counsel regarding the Claims and the DLAs and as part of our preparation to issue proceedings against the respondents, where necessary we undertook further targeted reviews of the Company's records

As the Claims and the DLA debt have been settled, no further investigations are anticipated.

2. Estimated outcome for the creditors

FRP

The estimated outcome for creditors was included in correspondence previously circulated by us.

Outcome for secured creditors

As at 19 January 2016, Barclays Bank was owed approximately £322,000.

We understand that Barclays Bank received £50,000 in relation to a personal guarantee from the Directors.

Barclays Bank also received £50,000 from fixed and floating charge realisations in the liquidation.

Accordingly, Barclays Bank has suffered a significant shortfall.

Preferential Creditors

We have received claims totalling £3,830.00.

Claims received are in the process of being agreed and a distribution of 100 pence in the £ is expected to be paid to preferential creditors within the next few months.

Unsecured creditors

We have received unsecured claims totalling £475,711.85 which includes the purported claims of the Directors and Jewellery Direct Supply Limited. Due to the Company’s claims against these parties, these were considered to be invalid claims and have been concluded by way of the Settlement Agreement. Remaining claims total £77,865.85.

Due to the quantum of the realisations and the costs of the liquidation there are insufficient funds available to pay a distribution to unsecured creditors, other than from the prescribed part.

The Prescribed Part

In accordance with the Insolvency Act 1986, the prescribed part is an element of net realisations due to the floating charge holder which is made available for

unsecured creditors (subject to the floating charge post-dating 15 September 2003).

In this circumstance, the prescribed part available for the unsecured creditors is estimated to be circa £11,195 which is calculated as follows:

	Prescribed Part
	£
Net floating charge realisations	45,807
Less: estimated preferential creditors	(3,830)
Net realisations available for the prescribed part	41,977
Prescribed part	
50% of 1 st £10,000	5,000.00
20% thereafter	6,395.40
Total prescribed part	11,395.40

The above table is an estimate to give creditors an indication of what funds may be available pursuant to the prescribed part; accordingly, the estimate may be subject to change.

The funds available as a result of the prescribed part, after the Liquidators’ costs for dealing with it, will be distributed between the unsecured creditors who have claimed in the liquidation. Based on the quantum of unsecured creditors received (excluding the claims of the connected parties) of £77,865.85; and after the liquidators’ fees of attending to the prescribed part, a prescribed part distribution of 13 pence in the pound is estimated.

3. Liquidators' remuneration, disbursements and expenses

FRP

Liquidators' remuneration

As advised in previous correspondence, in accordance with rule 18.20 of IR16, my remuneration as Liquidator has been fixed on a time cost basis by the agreement of creditors to the Former Administrators' proposals. To date fees relating to the former Administration and the Liquidation of £145,000 excluding VAT have been drawn from the funds available (of which £50,806.86 has not yet been paid as a VAT refund is awaited).

A breakdown of the Liquidators' time costs incurred during both the Period and cumulatively to date is attached at **Appendix D**.

Aside from the fees payable to the Liquidators out of the prescribed part, it is anticipated that no further fees will be billed.

Liquidators' disbursements and expenses

The Liquidators' disbursements are a recharge of actual costs incurred by them in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory Trading Limited at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the Period are set out in **Appendix D**.

Expenses of the liquidation

An estimate of the Liquidators' expenses was set out in the information previously circulated to creditors. We attach at **Appendix E** a statement of expenses that have been incurred during the Period. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details provided prior to the determination of the basis of the Liquidators' remuneration.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Liquidator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint

Liquidator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Liquidator and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Creditors have a right to request further information from the Liquidators and further have a right to challenge the Liquidators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the Period as set out in **Appendix E** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <https://creditors.frpadvisor.com/info.aspx> and select the guide for liquidations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

Statutory information about the Company and the Liquidation

FRP**COMPANY INFORMATION:**

Other trading names:	Jewellery Direct Supply
Date of incorporation:	16/12/1997
Company number:	03481734
Registered office:	c/o FRP Advisory Trading Limited 2nd Floor 110 Cannon Street London EC4N 6EU
Previous registered office:	C/o Westell Accountants 3 Bradfield Court Milton Road Drayton Abingdon OX14 4EF
Business address:	7th Floor 63-66 Hatton Garden London EC1N 8LE Weasel Green Barn Moorside Keighley BD20 8ED

LIQUIDATION DETAILS:

Liquidators:	Philip James Watkins Paul David Allen
Address of Liquidators:	FRP Advisory Trading Limited 2nd Floor 110 Cannon Street London EC4N 6EU
Date of appointment of Liquidators:	27/02/2018

FORMER ADMINISTRATION:

Prior to the Liquidation, the Company was in administration, details of the former Administration are provided below.

Court reference number:	8053 of 2016
Date of Appointment of Former Administrators:	22 February 2019
Former Administrators:	Philip James Watkins Paul David Allen

Appendix A

Statutory information about the Company and the Liquidation

FRP

Statement of Affairs £	From 27/02/2020 To 26/02/2021 £	From 22/02/2016 To 26/02/2021 £
SECURED ASSETS		
Bank Interest	NIL	25.11
Transfer from Administration	NIL	19,392.98
	NIL	19,418.09
SECURED CREDITORS		
Fixed Charge Security	19,418.09	19,418.09
	(19,418.09)	(19,418.09)
ASSET REALISATIONS		
Bank Interest Gross	6.91	0.11
Legal Claims - Settlements	300,667.53	300,667.53
	300,674.44	300,667.64
COST OF REALISATIONS		
Administrators' and Liquidators' disbur	2,701.34	2,701.34
Administrators' and Liquidators' fees	93,758.39	93,758.39
Legal fees - Counse	13,090.00	13,090.00
Legal Fees (1)	93,173.00	93,173.00
Statutory Advertising	NIL	69.93
	(202,722.73)	(202,792.66)
FLOATING CHARGE CREDITORS		
Floating Charge Creditor	30,581.91	30,581.91
	(30,581.91)	(30,581.91)
	47,951.71	67,293.07
REPRESENTED BY		
IB Current Floating		16,486.21
Vat Recoverable Floating		50,806.86
		67,293.07

Appendix C

A Schedule of Work

FRP

ADMINISTRATION AND PLANNING Work undertaken during the Period	ADMINISTRATION AND PLANNING Future work to be undertaken
<i>Regulatory Requirements</i>	
Regularly reviewed the conduct of the case and the case strategy as required by the insolvency practitioner's regulatory professional body to ensure all statutory matters were attended to, the case is progressing and the strategy remains appropriate.	Regularly reviewing the conduct of the case and the case strategy as required by the insolvency practitioner's regulatory professional body to ensure all statutory matters are attended to, the case is progressing and the strategy remains appropriate.
<i>Case Management Requirements</i>	
Continued to maintain and manage the Liquidators' cashbook and administer the estate bank account. Ensured the account is regularly reconciled to produce accurate and timely reports when required.	Continue to maintain and manage the Liquidators' cashbook and administer the estate bank account. Ensure the account is regularly reconciled to produce accurate and timely reports when required.
Continued to maintain physical and electronic files.	Continue to maintain files.
Continued to maintain records of all time spent in dealing with the conduct of the case.	Continue to maintain records of all time spent in dealing with the conduct of the case.
ASSET REALISATION Work undertaken during the Period	ASSET REALISATION Future work to be undertaken
Continued to pursue the recoveries from the Claims and the DLAs. As per the settlement agreement, funds of £300,000 were received.	No further asset realisations are expected.

Appendix C

A Schedule of Work

FRP

CREDITORS Work undertaken during the Period	CREDITORS Future work to be undertaken
<p>Dealing with creditors' correspondence and queries in a timely manner.</p>	<p>Continue to deal with creditors' correspondence and queries in a timely manner. Pay a distribution to preferential creditors of 100 pence in the £.</p> <p>Advertise the intention to make a prescribed part distribution to unsecured creditors and write to all known creditors to notify of the possibility of a distribution and request submission of claims. Adjudicate the claims received and declare and pay the distribution.</p> <p>Liaise with HMRC regarding their claim where appropriate.</p>
INVESTIGATIONS Work undertaken during the Period	INVESTIGATIONS Future work to be undertaken
<p>Completed further specific investigations/reviews of the legal correspondence between the parties in order to assist the legal proceedings regarding the Claims and the DLAs and the settlement agreement.</p>	<p>No further investigations are anticipated.</p>
STATUTORY COMPLIANCE AND REPORTING Work undertaken during the Period	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken
<p>Continued to conduct the case in accordance with IA86 and IR16. Adhered to all other statutory and compliance matters as they arise throughout the appointment.</p> <p>Provided a statutory report to creditors and Companies House at regular intervals and managed any queries arising therefrom.</p>	<p>Continue to conduct the case in accordance with IA86 and IR16. Adherence to all other statutory and compliance matters as they arise throughout the appointment.</p> <p>Provide a statutory report to creditors and Companies House at regular intervals and manage any queries arising therefrom.</p>

Appendix C

A Schedule of Work

FRP

Processed the Former Administrators and Liquidators' fees and disbursements having given due consideration to all other costs of the process and order of priority as prescribed under the Insolvency Act 1986.	<p>To place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims.</p> <p>Dealing with post appointment tax as required.</p> <p>To deal with the statutory requirements in order to bring the case to a close and for the office holders(s) to obtain their release from office. This will include preparing final reports for stakeholders, convening final meetings, statutory advertising and filing the relevant documentation with the Registrar of Companies.</p>
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LEGAL AND LITIGATION Work undertaken during the Period	LEGAL AND LITIGATION Future work to be undertaken
<p>Liaised with solicitors regarding the progression of the legal proceedings in respect of the Claims and the DLAs.</p> <p>Entered into extensions of the Standstill Agreement with the respondents to the allow legal correspondence to continue without preventing our ability to issue proceedings.</p> <p>Prepared an application to Court in respect of the Claims and the DLAs.</p> <p>Entered into Settlement Agreement with the Respondents to the Claims and DLAs, thus settling the dispute.</p>	<p>No further legal action is anticipated.</p>

Appendix D

Details of the Liquidators' time costs and disbursements for both the Period and cumulatively

FRP

Time charged for the period 27 February 2020 to 26 February 2021

	Appointment Takers /	Managers / Directors	Other Professional	Junior Professional &	Total Hours	Total Cost £	Average Htly Rate £
Administration and Planning		9.65	2.20	13.60	25.45	8,125.00	319.25
Admin & Planning				0.50	0.50	105.00	210.00
Case Accounting		6.30	1.00	7.35	14.65	4,823.75	329.27
Case Control and Review		2.55	1.10	5.55	9.20	2,763.25	300.35
Case Accounting - General				0.20	0.20	49.00	245.00
General Administration		0.20	0.10		0.30	117.00	390.00
Fee and WIP		0.60			0.60	267.00	445.00
Asset Realisation	16.60	65.40	14.00	0.55	96.55	40,486.25	419.33
Asset Realisation	2.50			0.20	2.70	1,651.50	611.67
Legal-asset Realisation	3.90	65.10	14.00	0.35	83.35	32,628.25	391.46
London Contentious Insolvency - Asset re:	10.20	0.30			10.50	6,206.50	591.10
Creditors	3.50	5.50			9.00	4,597.00	510.78
Secured Creditors	3.50	5.50			9.00	4,597.00	510.78
Investigation	2.45	5.95	12.20	12.30	32.90	9,955.50	302.60
Investigatory Work		1.00		9.15	10.15	2,213.25	218.05
Legal - Investigations	2.45	4.95		1.20	8.60	3,827.00	445.00
IT - Investigations			3.50		3.50	962.50	275.00
Forensic			8.70		8.70	2,566.50	295.00
London Contentious Insolvency - Investigations				1.95	1.95	386.25	198.08
Statutory Compliance	0.20	2.95	5.10	0.60	8.85	3,257.75	368.11
Statutory Compliance - General		1.60	0.60		2.20	878.00	399.09
Statutory Reporting/ Meetings		0.70	3.90		4.60	1,623.50	352.93
Appointment Formalities	0.20				0.20	119.00	595.00
Tax/VAT - Post appointment		0.65	0.60	0.60	1.85	637.25	344.46
Trading				0.20	0.20	49.00	245.00
Case Accounting - Trading				0.20	0.20	49.00	245.00
Total Hours	22.75	89.45	33.50	27.25	172.95	66,470.50	384.33

Disbursements for the period

27 February 2020 to 26 February 2021

	Value £
Category 1	
Storage	148.43
Land Registry Charges	30.00
Grand Total	178.43

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates

	From				
Grade	1st July 2013	1st May 2016	1st May 2017	1st May 2019	1st November 2020
Appointment taker / Partner	395-495	450-495	450-545	495-595	595-695
Managers / Directors	320-455	340-465	340-465	385-495	445-595
Other Professional	175-275	200-295	200-295	225-340	275-395
Junior Professional & Support	100-150	125-175	125-175	150-195	175-245

Appendix D

Details of the Liquidators' time costs and disbursements for both the Period and cumulatively

FRP

Time charged for the period 27 February 2016 to 26 February 2021

	Appointment Takers /	Managers / Directors	Other Professional	Junior Professional &	Total Hours	Total Cost £	Average Hourly Rate £
Administration and Planning		18.00	19.10	15.20	52.30	16,489.25	315.28
Admin & Planning				0.50	0.50	105.00	210.00
Case Accounting		6.30	2.90	8.95	18.15	5,614.25	309.33
Case Control and Review		5.55	9.00	5.55	20.10	6,171.75	307.05
Case Accounting - General				0.20	0.20	49.00	245.00
General Administration		0.20	7.20		7.40	2,173.50	293.72
Fee and WIP		0.60			0.60	267.00	445.00
Strategy and Planning		5.35			5.35	2,108.75	394.16
Asset Realisation	26.55	66.20	110.20	0.55	203.50	74,964.00	368.37
Asset Realisation	4.50			0.20	4.70	2,791.50	593.94
Freehold/Leasehold Property		0.80	1.20		2.00	540.00	270.00
Legal-asset Realisation	11.85	65.10	109.00	0.35	186.30	65,426.00	351.19
London Contentious Insolvency - Asset re:	10.20	0.30			10.50	6,206.50	591.10
Creditors	3.50	6.45	10.60	20.55	20.55	8,043.25	391.40
Unsecured Creditors		0.25	0.40		0.65	206.25	317.31
Secured Creditors	3.50	6.20	7.90		17.60	7,204.50	409.35
Landlord			2.30		2.30	632.50	275.00
Investigation	4.35	43.10	25.40	12.70	85.55	29,139.75	340.62
Investigatory Work		2.90	2.90	9.55	15.35	3,813.25	248.42
CDDA Enquiries		0.40			0.40	150.00	375.00
Legal - Investigations	4.35	39.80	6.80	1.20	52.15	20,386.25	390.92
IT - Investigations			7.00		7.00	1,837.50	262.50
Forensic			8.70		8.70	2,566.50	295.00
London Contentious Insolvency - Investigations				1.95	1.95	386.25	198.08
Statutory Compliance	0.20	6.15	20.70	0.60	27.65	8,783.75	317.68
Post Appt TAX/VAT		0.20	0.40		0.60	185.00	308.33
Statutory Compliance - General		3.30	5.90		9.20	2,978.00	323.70
Statutory Reporting/ Meetings		1.30	12.20		13.50	4,131.00	306.00
Appointment Formalities	0.20				0.20	119.00	595.00
Tax/VAT - Post appointment		1.35	2.20	0.60	4.15	1,370.75	330.30
Trading				0.20	0.20	49.00	245.00
Case Accounting - Trading				0.20	0.20	49.00	245.00
Total Hours	34.60	139.90	186.00	29.25	389.75	137,469.00	352.71

FRP Charge out rates

Grade	From 1st July 2013	1st May 2016	1st May 2017	1st May 2019	1st November 2020
Appointment taker / Partner	395-495	450-495	450-545	495-595	595-695
Managers / Directors	320-455	340-465	340-465	385-495	445-595
Other Professional	175-275	200-295	200-295	225-340	275-395
Junior Professional & Support	100-150	125-175	125-175	150-195	175-245

Disbursements for the period 27 February 2016 to 26 February 2021

	Value £
Category 1	
Postage	27.20
Prof. Services	49.93
Storage	235.61
Bonding	20.00
Property	12.00
Consultancy	133.00
Land Registry Charges	39.00
Grand Total	516.74

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

Appendix E

Statement of expenses incurred in the Period and cumulatively

FRP

Expenses	Period 27 February 2020 To 26 February 2021 £	Cumulatively To 26 February 2021 £
Liquidators' remuneration (Time costs)	66,470.50	137,469.00
Liquidators' disbursements	178.43	516.74
Legal Fees	*92,760.00	116,466.25
Legal Disbursements (Counsel)	8,490.00	13,090.00
Legal Disbursements (general)	-	226.55
Statutory Advertising	-	69.93
Total	167,898.93	267,838.47

Note: Expenses exclude VAT as VAT is recoverable.

*The amount of legal fees incurred in the Period has been estimated.