

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 03636085

Company name in full PGFL Limited

TUESDAY



A08 *A81KØY1N* #52
19/03/2019
COMPANIES HOUSE

2 Liquidator's name

Full forename(s) Victor Henry

Surname Ellaby

3 Liquidator's address

Building name/number Staverton Court

Street Staverton

Post town

County/Region Cheltenham

Postcode GL51 0UX

Country

4 Liquidator's name ①

Full forename(s) Peter Richard James

Surname Frost

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

5 Liquidator's address ②

Building name/number Staverton Court

Street Staverton

Post town

County/Region Cheltenham


Postcode GL51 0UX

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	0	^d	1	^m	0	^m	2	^y	2	^y	0	^y	1	^y	8
To date	^d	3	^d	1	^m	0	^m	1	^y	2	^y	0	^y	1	^y	9
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature X  X															
Signature date	^d	1	^d	8	^m	0	^m	3	^y	2	^y	0	^y	1	^y	9

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 **Victor Henry Ellaby**

Company name **Hazlewoods LLP**

Address **Staverton Court**

Staverton

Post town

County/Region **Cheltenham**

Postcode **G L 5 1 0 U X**

Country

DX

Telephone **01242 680000**

**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

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

Statement of Affairs £		From 01/02/2018 To 31/01/2019 £	From 01/02/2018 To 31/01/2019 £
	HIRE PURCHASE		
3,000.00	Felder G500 Edgebander	NIL	NIL
(1,396.16)	Aldermore Bank Plc	NIL	NIL
65,000.00	Homag Weeke Venture CNC	NIL	NIL
(99,910.50)	Aldermore Bank Plc	NIL	NIL
15,000.00	Renault Master dCi2.3 125	13,000.00	13,000.00
(10,090.00)	Renault Trucks Financial Services	(9,963.83)	(9,963.83)
		3,036.17	3,036.17
	ASSET REALISATIONS		
Uncertain	Stock and /WIP	3,000.00	3,000.00
45,067.00	Book Debts	4,605.54	4,605.54
	Bank Interest Gross	4.89	4.89
		7,610.43	7,610.43
	COST OF REALISATIONS		
	Specific Bond	112.80	112.80
	Office Holders Fees	6,000.00	6,000.00
	Office Holders Expenses	233.23	233.23
	Agents/Valuers Fees (1)	1,787.50	1,787.50
	Agents re collection of records	462.65	462.65
	ERA Services	550.00	550.00
	Payroll processing	250.00	250.00
	Statutory Advertising	169.20	169.20
		(9,565.38)	(9,565.38)
	PREFERENTIAL CREDITORS		
(10,481.44)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(5,934.74)	Barclays Bank PLC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(59,593.14)	Trade & Expense Creditors	NIL	NIL
(108,330.28)	Employees	NIL	NIL
(56,431.92)	Directors	NIL	NIL
(47,867.39)	HMRC - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(272,068.57)		1,081.22	1,081.22
	REPRESENTED BY		
	Bank Current		1,081.22
			1,081.22

Victor Henry Ellaby
Joint Liquidator



BUSINESS RECOVERY & INSOLVENCY

PGFL LIMITED - IN LIQUIDATION

Joint Liquidators' Annual Progress Report

Joint Liquidators: Victor Henry Ellaby
Authorised to act as an Insolvency Practitioner
By the ICAEW
No. 008020

Peter Richard James Frost
Authorised to act as an Insolvency Practitioner
By the IPA
No. 008935

Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

Period of report: 1 February 2018 to 31 January 2019

Date of Winding Up: 1 February 2018

Trading address: Units 2-6, Lawrence Hill Industrial Estate
Russell Town Avenue
Redfield
Bristol
BS5 9LT

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- C. Hazlewoods LLP charge out rates and disbursements policy
- D. Description of categories of work
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1. Summary

We present this first annual progress report on the conduct of the liquidation in the first year.

Attached as appendix A is a summary of the Joint Liquidators' receipts and payments for the first year of the liquidation. Liquidation funds are held in an interest earning designated case account. Funds in hand at 31 January 2019 amounted to £1,081.22.

2. Assets

The following actions have been taken to date to realise the Company's assets:

Chattel assets

Gordon Brothers Limited ("the Agents") a firm of professional, independent valuation agents were instructed by the Directors prior to the Liquidation to assist in the valuation of the company's tangible assets (plant and machinery, motor vehicle, office furniture and equipment and stock).

The plant and machinery comprised of a CNC machine and an Edgebander, both of which were subject to hire-purchase agreements with Aldermore Bank Plc. The Agents confirmed that there was no equity in the agreements and the assets have been re-possessed by the finance company.

The Agents confirmed that there was equity in the hire-purchase agreement for the Renault Master van and this realised £13,000 against a settlement figure of £9,963.

An offer was received of £3,000 for certain items of WIP, the stock of veneers and other items and four PCs. On the recommendation of the Agents, the offer was accepted and the funds have been received.

Book debts

Book debts had a book value of £88,710, estimated to realise £45,067 in the statement of affairs. All debtors were been contacted a number of times where appropriate. To date £4,605 has been realised. The remaining debtors comprise of two substantial contractual debts. In each case, the debtor has counter-claimed, which after investigation appears to have some merit.

In view of this and the lack of funds in hand to finance any legal action, these debts are no longer being pursued.

No further asset realisations are anticipated.

3. Investigations

We 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 account of the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved. Specifically, we recovered listed and reviewed the Company's accounting records, obtained and reviewed copy bank statements for 12 months prior to the Company ceasing to trade and compared the information in the last set of accounts with that in the statement of affairs lodged in the liquidation.

Following the above and information received from third parties we have instructed solicitors to assist and advise on whether there are any potential actions that can be pursued. We would not comment further at this stage so as not to prejudice any potential actions.

Within three months of our appointment as Liquidators, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of a company. I would confirm that our report has been submitted.

4. Costs of realisation

Liquidator's remuneration

The Joint Liquidators' remuneration was approved on a time cost basis and capped at £21,773 per our request for fee approval basis dated 26 March 2018.

Our time costs for the year ended 31 January 2019 amount to 133 hours totalling £34,082, charged at an average charge out rate of £256.07 per hour. We have drawn £6,000 as detailed in the receipts and payments summary (appendix A). I attach, at Appendix B, an analysis of time costs incurred in the year by reference to grade of staff and work carried out. Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, attached at Appendix C.

A description of the routine work undertaken in the Liquidation to date is attached at appendix D.

Liquidator's disbursements

To date we have incurred disbursements of £990 plus VAT as detailed at appendix B. Disbursements of £765 have been drawn in the year.

Professional advisors

I have utilised the professional services of the following:-

- Insol Employee Services ("Insol") - assisting in corresponding with employees and Redundancy Payments Service in respect of assisting employees recovering their entitlements from RPS for arrears of wages, holiday pay, redundancy and pay in lieu of notice. They have billed a set fee of £550 plus VAT to date, which has been paid. Should there be a preferential dividend, Insol will be instructed to confirm the employees and RPS claims and correspond with HMRC regarding deduction of PAYE/NIC on the dividend on those claims.
- Gordon Brothers, independent valuers and auctioneers, were instructed by the director to provide an asset valuation, to advise on the sale of assets, to remove, store and sell the company's assets where appropriate. Their set valuation fee of £1,750, plus disbursements of £37.50 plus VAT has been settled from the sale proceeds prior to remitting the balance into the Liquidation account.
- Biznus Payroll were instructed to prepare P45s for the employees and to close down the Company's PAYE system. Their costs on a fixed fee basis were £250 plus VAT and these fees were paid by Hazlewoods LLP as a category 1 disbursement.
- P A Miler – Archiving and Storage services was instructed to collect and compile an inventory of the Company's records. Although this is part of the Liquidators' duties by outsourcing this function it was considered that there would be a cost saving to the estate. Mr Miller's costs of £462 have been paid.

- Meade King LLP, Solicitors – instructed to advise and assist the Joint Liquidators review antecedent transactions and consider any potential actions for recovery. Their costs to 31 January 2019 amount to £4,650, all of which is outstanding.

In the case of the work undertaken by Insol Employee Services, Biznus Payroll and P A Miller, this work is normally to be undertaken by the Liquidator as part of his duties. In this case, in view of the time that would likely be incurred against the costs of instructing these professionals, the decision was made to outsource these tasks as it would prove more cost effective.

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of the case.

Pre-Liquidation Fees

Hazlewoods LLP's fees of £6,000 plus VAT in respect of the pre-liquidation costs were paid by the directors of the Company, prior to the Company being placed in liquidation.

5. Outcome to creditors

Preferential creditors

Preferential creditors' claims were estimated at £10,481 in the Directors' statement of affairs. We are aware of additional preferential claims in respect of deductions from employees' wages that were not paid over to the pension provider. These are estimated at £255. The formal preferential claim is awaited from the Redundancy Payments Office.

Secured creditor

A CNC and Edgebander machines were subject to HP agreements with Aldermore Bank Plc ("Aldermore"). A claim of £101,909 has been received from Aldermore. However, this is subject to reduction for the sale proceeds of the machines that have been recovered by Aldermore.

Barclays Bank Plc ("the Bank") were granted a debenture containing a floating charge on 12 October 2012. The Bank's claim of £6,295 has been settled by the directors under the terms of their personal guarantee.

There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. Any costs of the liquidation that are payable before the Liquidator has reached a position to make a distribution to the floating charge holder have to be deducted from floating charge realisations before arriving at an amount for the "net property" of the Company. As a result, the costs associated with realising floating charge assets, paying preferential claims in full, the general costs of winding up and the costs of confirming the validity of the floating charge will have to be deducted before the "net property" is calculated. The "prescribed part" that the Liquidator then has to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property:

up to a maximum of £600,000.

As the floating charge was registered after 15 September 2003, the Liquidators will be required to make a prescribed part of the Company's net property available to the unsecured creditors.

However, the current position is that there will be no funds available for the floating chargeholder, so the prescribed part is currently not applicable.

Unsecured creditors

We have received 53 unsecured claims totalling £157,147 to date.

An estimated further 21 creditors with estimated claims of £100,091 have yet to submit their claims. In addition the unsecured claim is awaited from RPO. This was estimated at £108,330 in the statement of affairs.

Dividend prospects

Currently there are insufficient funds in hand to enable a dividend to any class of creditors. Future dividend prospects, whether via the prescribed part, or directly, are dependent upon future asset realisations.

6. Other information

An unsecured creditor may with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidators' remuneration and expenses within 21 days of this report.

To comply with the Provision of Services Regulations, some general information about Hazlewoods LLP can be found at www.hazlewoods.co.uk under Services, Business Recovery and Insolvency, Technical Guides.

7. Summary

The liquidation of the Company remains open to allow the investigation into various matters to be concluded.



VH Ellaby
Joint Liquidator

18 March 2019

**PGFL Limited
(In Liquidation)**

Appendix A

Joint Liquidators' Summary of Receipts and Payments Year Ended 31 January 2019

RECEIPTS	Statement of Affairs (£)	Total (£)
Felder G500 Edgebander	3,000.00	-
Homag Weeke Venture CNC	65,000.00	-
Renault Master dCi2.3 125	15,000.00	13,000.00
Stock and /WIP	Uncertain	3,000.00
Book Debts	45,067.00	4,605.54
Bank Interest Gross		<u>4.89</u>
		<u>20,610.43</u>
 PAYMENTS		
Aldermore Bank Plc	(1,396.16)	-
Aldermore Bank Plc	(99,910.50)	-
Renault Trucks Financial Services	(10,090.00)	9,963.83
Specific Bond		112.80
Office Holders Fees		6,000.00
Office Holders Expenses		233.23
Agents/Valuers Fees (1)		1,787.50
Agents re collection of records		462.65
ERA Services		550.00
Payroll processing		250.00
Statutory Advertising		169.20
Employee Arrears/Hol Pay	(10,481.44)	-
Barclays Bank PLC	(5,934.74)	-
Trade & Expense Creditors	(59,593.14)	-
Employees	(108,330.28)	-
Directors	(56,431.92)	-
HMRC - VAT	(47,867.39)	-
Ordinary Shareholders	(100.00)	<u>-</u>
		<u>19,529.21</u>
 Net Receipts/(Payments)		<u><u>1,081.22</u></u>

Appendix B

PGFL Limited - In Liquidation

SUMMARY OF LIQUIDATOR'S TIME COSTS AND DISBURSEMENTS INCURRED AND BILLED

	Total incurred	Total billed	Incurred in period 01/02/2018 to 31/01/2019	Billed in period 01/02/2018 to 31/01/2019	Unbilled
	£	£	£	£	£
<u>Time Costs</u>					
Liquidators' Fees	34,082.90	6,000.00	34,082.90	6,000.00	28,082.90
Liquidators' Total Post Appointment Fees	34,082.90	6,000.00	34,082.90	6,000.00	28,082.90
<u>Category 2 Disbursements</u>					
Staff Mileage	458.97	233.23	-	-	225.74
<u>Category 1 Disbursements</u>					
Payroll bureau fee	250.00	250.00	-	-	-
Statutory Bond	112.80	112.80	-	-	-
Insurance of Assets	-	-	-	-	-
Statutory Advertising	169.20	169.20	-	-	-
Total Disbursements	990.97	765.23	-	-	225.74

Appendix B

PGFL Limited - In Liquidation

Liquidator's time summaries

A summary of the time costs incurred by grade of staff and the nature of work undertaken is as follows.

Total incurred for period 01/02/2018 to 31/01/2019							
Classification of work	HOURS					Total Cost £	Average Hourly Rate £
	Partner & Appointment Taker	Director	Manager	Supervisor	Administrator		
Administration & planning	21.60	-	0.40	2.00	3.00	6,261.80	231.92
Investigations	33.70	-	0.10	-	-	9,432.20	-
Realisation of assets	45.80	-	-	-	-	12,673.50	276.71
Trading	-	-	-	-	-	-	-
Creditors	18.70	-	0.70	3.10	4.00	5,715.40	215.68
	119.80	-	1.20	5.10	7.00	34,082.90	256.07

Appendix C

HAZLEWOODS LLP

FEES AND DISBURSEMENTS POLICY STATEMENT

Fees and Charging Policy

- Grades of staff are charged at an hourly rate that is subject to periodic review. Below are the present hourly rates.
- Work undertaken by cashiers and support staff relating to specific tasks is charged. Support staff time is charged to the case and the rates are within the Administrator grade banding.
- Time spent by partners and all staff in relation to the insolvency estate are charged to the estate.
- Time is recorded in 6 minute units.
- Time billed is subject to Value Added Tax (VAT) at the applicable rate.

Time properly incurred in connection with the case is charged at the following hourly rates.

Grade	From 1 November 2018 £	At 1 May 2018 £
Partner	280	280
Appointment Taker	190-280	190-280
Associate Partner	210	210
Manager	127-168	127-168
Associates	100-130	98-130
Administrator	44-87	44-87

Hourly rates are reviewed on 1 May and 1 November each year.

Expenses

Where expenses are incurred in respect of the insolvent estate, they will be recharged and comprise two categories.

Category 1 (Approval not required)

These are where Hazlewoods LLP has met a specific cost to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs, bonding etc. In each case, the charge will be reimbursement of a specific expense incurred.

Category 2 (Approval required)

These are not capable of precise identification and allocation, eg: expenses that include an element of shared or allocated costs. This type of expense requires the approval of Creditors/Members prior to being drawn from the estate.

This includes the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. A charge is made at HM Revenue & Customs approved rate, presently 45p per mile.

Summarised below are the categories of expenses, which may be incurred in connection with the administration of this case.

Expense	Charge policy	Category of disbursement
Business mileage	HM Revenue & Customs approved rate (currently 45p per mile)	2
Postage	At cost	1
Storage	Offsite storage at cost	1
Company searches	At cost	1
Individual/Directors searches	At cost	1
Other third party expenses incurred directly in connection with the case	At cost	1

Where applicable, disbursements will be subject to VAT at the prevailing rate

Appendix D

Description of routine work undertaken

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Statutory reporting to creditors, members and Registrar of Companies
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on IPS.
- Convening a decision procedure to seek a decision from creditors to approve the officeholders' remuneration.
- Review and storage.
- Obtaining and periodically reviewing the adequacy of a specific penalty bond.
- Case planning and administration.
- Preparing annual progress reports to members and creditors.
- Maintaining and managing the Liquidator's cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

Creditors

- Dealing with creditor correspondence and telephone conversations.
- Maintaining creditor information on IPS.
- Reviewing and adjudicating on proofs of debt received from creditors.
- Disclaiming the leasehold premises

Investigations

- Review and storage of books and records.
- Preparing a return pursuant to the Company Directors Disqualification Act.
- Conducting investigations into suspicious transactions.
- Review books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors.

Realisation of Assets

- Liaising with the Company's bank regarding the closure of the account.
- Sale of company's chattels.
- Realisation of debtors.

PROOF OF DEBT - GENERAL FORM

PGFL LIMITED	
Date of Winding-Up: 1 February 2018	
1.	Name of Creditor (If a company please also give company registration number)
2.	Address of Creditor for correspondence
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)
4.	Details of any documents by reference to which the debt can be substantiated. [Note there is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting]
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount £
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given.
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above)
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Liquidator	Liquidator