

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 8 7 5 2 3 5

Company name in full Old World Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Meghan

Surname Andrews

3 Liquidator's address

Building name/number 2nd Floor Regis House

Street 45 King William Street

Post town London

County/Region

Postcode E C 4 R 9 A N

Country

4 Liquidator's name ①

Full forename(s) Stephen Paul

Surname Grant

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2nd Floor Regis House

Street 45 King William Street

Post town London

County/Region

Postcode E C 4 R 9 A N

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6

Period of progress report

From date

^d3^d1^m0^m7^y2^y0^y2^y2

To date

^d3^d0^m0^m7^y2^y0^y2^y3

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X *Megandew*

X

Signature date

^d2^d9^m0^m9^y2^y0^y2^y3

LIQ03

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Meghan Andrews

Company name Azets Holdings Limited

Address 2nd Floor Regis House

45 King William Street

Post town London

County/Region

Postcode EC4R 9AN

Country

DX

Telephone 020 7403 1877



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

Joint Liquidators' Annual Progress Report to Members
Old World Limited – In Members' Voluntary Liquidation
29 September 2023

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1 Introduction and Statutory Information

On 7 September 2020, Baldwins Holdings Limited which traded as Wilkins Kennedy changed its name to Azets Holdings Limited and now trades as Azets. Any references in this report to Azets should be read as reference to Wilkins Kennedy as appropriate.

David William Tann and Matthew John Waghorn, both of Azets, 92 London Street, Reading, RG1 4SJ were appointed as Joint Liquidators of Old World Limited ("the Company") on 31 July 2015.

Please be advised that owing to their departures from the firm, orders were made in the High Court of Justice removing David William Tann and Matthew John Waghorn as Liquidators and appointing Stephen Paul Grant and Meghan Andrews, both of Azets, as Joint Liquidators on 26 November 2018 and 23 June 2021, respectively. The Liquidators' contact details are by phone on 020 7403 1877 or via email at kelly.jones@azets.co.uk.

This progress report covers the period 31 July 2022 to 30 July 2023 ("the Period") and should be read in conjunction with any previous reports.

The registered office of the Company was changed from Priory Park, Great North Road, Aberford, Leeds, LS25 3DF to 2nd Floor Regis House, 45 King William Street, London, EC4R 9AN and its registered number is 03875235.

Information about the way that the Joint Liquidators use and store personal data on insolvency appointments can be found at <https://www.azets.co.uk/about-us/privacy-cookie-policy/>. If you are unable to download this, please contact this office and a hard copy will be provided to you.

2 Progress of the Liquidation

At Appendix A, is a summary of the receipts and payments for the Period with a comparison to the directors' Declaration of Solvency ("DOS") values, together with a cumulative account since 31 July 2015.

As at 30 July 2023, funds of £37.11 were being held in the Liquidation bank account. This account is held with Metro Bank plc and is non-interest bearing. The account has been reconciled to the bank statements.

Full details regarding the assets previously realised were provided to members in the previous progress reports. For ease of reference, these have been summarised below:-

<u>Asset</u>	<u>DOS</u>	<u>Realised in Previous Periods</u>
Intercompany Debt	£29,378,194.00	£29,378,194.00
Book Debt	£0.00	£37.11
	<hr/> £29,378,194.00	<hr/> £29,378,231.11

Other Assets

No further realisations are expected to be received and no other assets have been identified or realised in the Period.

3 Creditors' Claims

Unsecured Creditors

As mentioned in previous reports, the DOS did not detail any liabilities to be settled by the Company however, a claim of £320,205.86 was received from HM Revenue & Customs ("HMRC") in relation to the Company's participation in an Employee Benefit Trust ("EBT") scheme.

Freeths LLP were instructed to act on behalf of the sole shareholder, Masternaut Holdings Limited ("Masternaut"), and the Company to negotiate with HMRC and the former directors' solicitors, Memery Crystal, regarding the liability of the EBT scheme.

As no progress had been made by HMRC against the former directors in the previous reporting period, the Joint Liquidators convened a meeting with Masternaut and Freeths LLP to discuss the options available.

In the Period, on 15 August 2022, the Joint Liquidators met with Masternaut and Freeths LLP and it was agreed that Freeths LLP resume communication with HMRC to finalise the settlement agreement so that the Liquidation can be brought to a close.

Since the meeting, Freeths LLP made several attempts to contact HMRC to reinstate the settlement agreement but, no response has been received.

On 23 January 2023, the Joint Liquidators received a letter from HMRC stating how it proposes to progress matters regarding the disputed PAYE and NIC liabilities arising from the EBT scheme. This correspondence was immediately passed to Freeths LLP for their review and action. Freeths LLP advised that whilst the correspondence was broadly in line with previous discussions with HMRC, HMRC had added additional interest of approximately £11,000.00 to the previously discussed settlement agreement.

As new contact details were provided on the latest HMRC correspondence, Freeths LLP managed to discuss the position with the relevant officer at HMRC and advised that whilst the Company is willing to settle, the settlement amount should remain the same as previously discussed as the additional interest had been incurred due to HMRC's delay.

It was envisaged that the settlement documentation would now progress however, in April 2023, Freeths LLP were subsequently informed that the Counter Avoidance department who had been dealing with this matter had closed and the matter would now be picked up by the designated department dealing with Members' Voluntary Liquidations ("MVL Team").

On 26 April 2023, a revised claim was received from the MVL Team in the amount of £189,923.76. The MVL Team have also requested that statutory interest of 8% per annum from the date of Liquidation to the date of payment be applied to this liability. The latest claim received does not include that previously claimed in respect of NIC for the tax year 2004 – 2005 or interest, which had a combined total of £129,882.12 on the original claim.

Freeths LLP attempted to contact the MVL Team to discuss the claim and provide context to the Company's position and the background resulting in the EBT scheme liability however, due to this department having a severe backlog, the MVL Team are refusing to discuss case specific matters over the telephone and requesting all correspondence to be sent either by post or email.

Freeths LLP sent an email on 27 April 2023 regarding the settlement agreement but no response has been received to date.

Outside of this reporting period, Freeths LLP have advised that they are still waiting for a response from the MVL Team and have requested that action be taken in respect of the settlement agreement or alternatively, provide tax clearance so the Liquidation can be closed.

Further details regarding this matter will be provided in the next report.

No other claims have been identified or paid in the Period.

Outstanding Matters

The Joint Liquidators are unable to finalise the Liquidation until the claim with HMRC has been dealt with, enabling HMRC to grant tax clearance for the Liquidation to be closed.

4 Distributions to Members

The Company's share capital is comprised of 1 ordinary share of £1.00 which is held by Masternaut.

The Joint Liquidators can confirm that no distributions have been declared in the Period and no further distributions are expected to be declared in the Liquidation.

5 Joint Liquidators' Remuneration and Expenses

At the general meeting of members held on 31 July 2015 the sole shareholder passed a resolution approving the Joint Liquidators' remuneration to be fixed at £3,000.00 plus VAT and expenses and to approve the payment of this fee from the funds held in the Liquidation.

As the Liquidation is required to be kept open until the claim from HMRC has been resolved, on 28 September 2020, the shareholder agreed that an additional fixed fee of £8,500.00 plus VAT could be charged, together with a fee of £750.00 plus VAT for every additional year that the Liquidation is required to be kept open.

To date, fees totalling £13,000.00 plus VAT has been invoiced to Masternaut in respect of the above fee agreement, of which £750.00 plus VAT was raised in the Period in respect of keeping the Liquidation open past the anniversary of 31 July 2022.

In previous reporting periods, Masternaut have paid a total of £12,250.00 against the fees raised to date, the shortfall relates to the invoice raised in the Period which should be settled in full shortly.

No expenses have been incurred in the Liquidation during the Period.

The outstanding expenses noted in the Joint Liquidators' previous report totalling £26.55, have been written off and no further expenses are expected to be incurred in the Liquidation.

As another anniversary of the Liquidation has passed, a further invoice will be raised to be paid by Masternaut in respect of the additional agreed fee of £750.00 plus VAT.

A copy of "A Shareholders' Guide to Liquidators' Fees" is available to download from www.azets.co.uk/media/xvgn4gnf/mvl0305-shareholders-guide-to-liquidators-fees-in-members-voluntary-liquidation.pdf. A hardcopy is available on request to this office.

Please note that a new version of SIP9 was introduced on 6 April 2021 and as a result, new guides were released for all appointments except MVL's and as such, this link will make reference to the previous version of SIP9. Members should note that any relevant changes arising from the introduction of the new SIP9 have been made to our firm's charging policy which is enclosed at Appendix B.

Professional Advisors

As detailed in Section 3 above, Freeths LLP continued to assist the Joint Liquidators in corresponding with HMRC in respect of the outstanding liability arising from the former directors' EBT scheme and the proposed settlement agreement of such.

Masternaut continue to discharge all the legal costs and expenses incurred by Freeths LLP directly.

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

6 Members' Rights

Within 21 days of the receipt of this report, members with either at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company or with the permission of the court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.

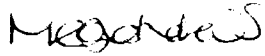
Any members with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company may within 8 weeks of receipt of this progress report, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

7 Next Report

The Joint Liquidators are required to provide a further report on the progress of the Liquidation within two months of the end of the next anniversary of the Liquidation, unless

matters have been concluded prior to this, in which case the Joint Liquidators will issue their proposed final account.

Should you have any queries in relation to the Liquidation, please contact Kelly Jones on 020 7403 1877 or at kelly.jones@azets.co.uk

A handwritten signature in black ink, appearing to read 'Meghan Andrews'.

Meghan Andrews
Joint Liquidator

Appendix A

Receipts and Payments Account from 31 July 2022 to 30 July 2023 Incorporating a Cumulative Receipts and Payments Account for the Period from 31 July 2015 to 30 July 2023

Old World Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Declaration of Solvency (£)	From 31/07/2015 To 30/07/2022 (£)	From 31/07/2022 To 30/07/2023 (£)	Total (£)
Book Debts		37.11	0.00	37.11
Intercompany Loan	29,378,194.00	29,378,194.00	0.00	29,378,194.00
		29,378,231.11	0.00	29,378,231.11
PAYMENTS				
Ordinary Shareholders		29,378,194.00	0.00	29,378,194.00
		29,378,194.00	0.00	29,378,194.00
Net Receipts/(Payments)		37.11	0.00	37.11
MADE UP AS FOLLOWS				
Bank 1 Current		37.11	0.00	37.11
		37.11	0.00	37.11

Note:

Appendix B

Information in Relation to the Joint Liquidators' Fees & Expenses

Introduction

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 guides issued with Statement of Insolvency 9 (SIP 9) and can be accessed at <https://www.azets.co.uk/restructuring-and-insolvency-downloads/>. A hard copy may be requested from Azets Holdings Limited, 2nd Floor Regis House, 45 King William Street, London, EC4R 9AN or kelly.jones@azets.co.uk.

Staff Allocation and Charge Out Rates

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. Work carried out by all staff is subject to the overall supervision of the office holders.

The constitution of the case team will usually consist of a Partner/Director, Manager and an Administrator as well as support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several members of staff may be allocated to meet the demands of the case.

We operate a time recording system which allows staff working on the assignment along with the office holders to allocate their time to an assignment in 6 minute units.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and planning
- Investigations
- Realisation of assets
- Creditors
- Trading
- Case specific matters

Time costs are recorded at the individual's hourly rate in force at that time. Our charge out rates increased on 1 May 2023 and are shown below, exclusive of VAT.

1 May 2023 to date	£	1 February 2022 to 30 April 2023	£	3 December 2018 to 31 January 2022	£
Partner/Director	520.00 – 665.00	Partner/Director	400.00 – 580.00	Partner	430.00 - 470.00
Manager	320.00 – 430.00	Manager	280.00 – 375.00	Directors/Manager	210.00 - 390.00
Administrator	150.00 – 320.00	Administrator	130.00 – 275.00	Administrator	110.00 - 210.00
Support Staff	150.00	Support Staff	120.00	Junior/Trainee Administrator	95.00 - 200.00
				Cashiers/Secretaries	60.00 - 100.00

Included within the manager grade are Senior Manager, Manager and Assistant Manager. Included within the Administrator grade are Senior Administrator and Assistant. Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

Please note that charge out rates are reviewed annually and may be subject to change.

Expenses

On insolvency appointments, an office holder will typically incur expenses which relate to that assignment. Expenses (or costs) are amounts properly payable by an office holder from an insolvency estate which are not otherwise categorised as the office holder's remuneration or a distribution to a creditor or shareholder. These expenses may include, but are not limited to, agent's costs for disposal and realisation of assets, legal costs, specialist pension advice, tax services or other routine expenses associated with an insolvency appointment such as statutory advertising costs, the office holder's specific penalty bond and costs associated with storing the books and records. Expenses also include disbursements which are payments that are first met by the office holder and then reimbursed at a later date from the estate, usually when realisations permit. Details of the anticipated expenses on an insolvency assignment will be outlined in the office holder's fees estimate or other information provided to creditors about the fee basis or bases being proposed.

Expenses recharged to, or incurred directly by, an insolvent estate are subject to VAT at the applicable rate where appropriate.

Some expenses can be paid without prior approval from creditors (referred to as Category 1 expenses) and other expenses which may have an element of shared costs or are proposed to be paid to an associate of the office holder, require approval before they can be paid (referred to as Category 2 expenses).

Category 1 expenses are directly referable to an invoice from a third party that is not an associate of the office holder or the firm, which is either in the name of the estate or Azets Holdings Limited; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the insolvency estate. These costs are recoverable without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party.

Category 2 expenses are directly attributable to the estate but include an element of shared costs or is a payment to an associate of the office holder or the firm. These expenses are recoverable from the estate, subject to the prior approval of the creditors, in the same manner as the approval of the office holder's remuneration.

The Category 2 expenses which include an element of shared costs and are charged by this firm are as follows:

- Postage – charged in accordance with the current Royal Mail price guide for first class.
- Business mileage – charged at standard rates which comply with HM Revenue & Customs limits. The current rate is 45 pence per mile.
- Internal photocopying - charged at 5 pence per sheet for reports and circulars issued to creditors, shareholders, employees and other stakeholders. No additional charge is made for individual items of correspondence.

Please note that these category 2 expenses are reviewed annually and may be subject to change.

Payments to associates (as defined in Section 435 of the Insolvency Act 1986 and the Insolvency Code of Ethics), which are also classified as a category 2 expense requiring creditor approval, are not routinely made by this firm. Any such payments will be considered on a case by case basis and when seeking approval for the payments, the office holder will provide creditors with an explanation of the work to be done, why the work is necessary and the estimated payment that will be made. The form and nature of the relationship with the associate will also be provided.

Provision of Services Regulations

When carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics.

To comply with the Provision of Service Regulations, some general information about Azets Holdings Limited, including our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, is available on our website using the following link: www.azets.co.uk/about-us/legal-regulatory-information/.