

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 04383801

Company name in full The Bodychef Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Hayley

Surname Watson

3 Liquidator's address

Building name/number Townshend House

Street Crown Road

Post town Norwich

County/Region

Postcode NR13DT

Country

4 Liquidator's name ①

Full forename(s) Andrew

Surname McTear

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Townshend House

Street Crown Road

Post town Norwich

County/Region

Postcode NR13DT

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ14

Notice of final account prior to dissolution in CVL

6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

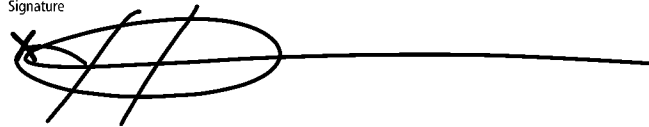
7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature



X

Signature date

^d0^d8

^m0^m3

^y2^y0^y2^y1

**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	Hayley Watson
Company name	McTear Williams & Wood Limited
Address	Townshend House
	Crown Road
Post town	Norwich
County/Region	
Postcode	N R 1 3 D T
Country	
DX	
Telephone	01603 877540

**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

The Bodychef Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 12 February 2020 To 8 March 2021

Statement of Affairs		£	£
	ASSET REALISATIONS		
NIL	Capitalised advertising/website expen	NIL	
NIL	Investment in subsidiary	NIL	
12,000.00	Plant & Machinery	11,899.00	
NIL	Fixtures, Fittings & Equipment	NIL	
NIL	VAT Repayment	NIL	
	Cash at Bank	85.27	
	Business Rates Refund	260.59	
			12,244.86
	COST OF REALISATIONS		
	Pre appointment fees approved	5,000.00	
	Appointment takers fees	3,000.00	
	Photocopying	91.85	
	Agents/Valuers Fees (1)	1,228.99	
	Agents/Valuers Fees (2)	990.00	
	Legal Fees (1)	500.00	
	Non recoverable VAT	87.91	
	Travel & expenses	53.10	
	Stationery & Postage	71.65	
	Bordereau	54.00	
	Storage/archiving costs	289.87	
	Statutory Advertising	173.30	
	Other Property Expenses	569.79	
	Insurance of Assets	134.40	
			(12,244.86)
	PREFERENTIAL CREDITORS		
(10,000.00)	Pref cred - E'ees wages/hol pay	NIL	
			NIL
	UNSECURED CREDITORS		
(70,000.00)	Unsecured cred - Trade and expense	NIL	
(95,000.00)	Unsecured cred - Employees	NIL	
(5,000.00)	Unsecured cred - PAYE/NIC	NIL	
			NIL
	DISTRIBUTIONS		
(344,000.00)	Ordinary Shareholders	NIL	
			NIL
(512,000.00)			0.00
	REPRESENTED BY		
			NIL

**The Bodychef Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 12 February 2020 To 8 March 2021**

**Statement
of Affairs**
£

£

£



Hayley Watson
Joint Liquidator

Contact Kelly Goodman
Direct dial 07971 529922
Email kellygoodman@mw-w.com

Your ref
My ref theb2331/514

Townshend House
Crown Road
Norwich
NR1 3DT
Office 01603 877540
Fax 01603 877549



To all known creditors/members

8 January 2021

Dear Sirs

The Bodychef Limited (**in creditors' voluntary liquidation**) ("**the Company**")

Further to my appointment as joint liquidator of the Company on 12 February 2020 this is my final account to creditors.

1 Receipts and payments

I enclose as Appendix 1 a copy of my final receipts and payments for the period 12 February 2020 to 7 January 2021 which are shown net of VAT.

2 Overview

The directors' statement of affairs showed funds available for preferential creditors of £12,000 and unsecured creditors of £2,000 before deduction of the costs of the liquidation. As set out below the final outcome of the liquidation is that no funds were available for creditors following the costs of the liquidation and no distribution was made.

3 Assets

3.1 Business rates refund

Following my appointment I instructed agents Carndearg Consultants Ltd t/a PCA to look into whether any business rates could be refunded to the Company. It has been confirmed by the Company's local authority that a rates refund of £261 was due and these funds were transferred to the case account in November 2020 accordingly.

3.2 Capitalised advertising/website expenditure

It was detailed in the Company's accounts that the Company had undertaken capitalised advertising and various methods of website expenditure. However, having

contacted the domain provider of the website it was not possible to realise any funds from this source.

3.3 Cash at bank

Upon closure of the Company's bank account, I received a nominal amount of £85 in respect of cash at bank. There are no further funds due and all accounts have now been closed.

3.4 Fixtures, fittings and equipment

The Company owned various fixtures, fittings and equipment which had a book value of £7,000. I instructed independent valuation agents George Hazell & Co chartered surveyors and auctioneers ("GH&Co") who undertook valuations of these and confirmed that they had no realisable value and therefore no further action was taken in respect of these.

3.5 Investment in subsidiary

The Company owned a subsidiary company called My Food Lifestyle Ltd which was detailed on the director's statement of affairs as having a book value of £67,462. However, these funds had been absorbed by the Company and given that the Company's shares in this company have a nil value no realisations could be made.

3.6 Plant and machinery

The Company owned various pieces of plant & machinery which had a book value of £28,745 which were valued by GH&Co on an ex-situ valuation at c£12,000. In March 2020 the plant & machinery was sold at open auction by GH&Co and funds of £11,899 plus VAT were realised. Following the deduction of GH&Co's fees of £2,179.90 plus VAT net funds totalling £11,662.92 were received into the case account.

3.7 VAT Repayment

Prior to my appointment the Company was awaiting a VAT repayment from HM Revenue & Customs ("HMRC") of £5,000. However, given that HMRC are currently owed funds of £5,209 in respect of PAYE and NIC these funds would have been offset meaning no realisations have been made.

4 Creditors' claims

There are no funds available for preferential or unsecured creditors and therefore no formal adjudication of claims has taken place.

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. This is known as the "prescribed part of the net property" ("prescribed part"). If the charge is dated on or after 15 September 2003 the prescribed part is calculated as 50% of the first £10,000 of the net property and 20% of the remaining net property up to a maximum of £600,000 unless dated on or after 6 April 2020 in which case it is subject to a maximum of £800,000. As there are no current charges registered over the assets of the Company, the prescribed part provisions will not apply.

A notice about the final dividend position is attached as Appendix 2.

5 Investigation into the affairs of the Company

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. This included recovering, listing and reviewing the Company's accounting records, obtaining and reviewing copy bank statements, comparing the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and, if necessary, making enquiries about the reasons for the changes.

An overdrawn director's loan account of £7,000 was identified and the director agreed that this could be settled out of her claim for payment in lieu of notice from the Redundancy Payments Office. The director declared on her claim form that the monies should be paid to the joint liquidators and whilst the Redundancy Payments Office deducted this from the payment due to the director this was also returned by them in accordance with Rule 14.25 of the Insolvency (England and Wales) Rules 2016 and therefore no realisations were achieved.

6 Directors conduct

As required I have investigated the conduct of the directors and filed my report with the Department for Business Energy & Industrial Strategy. The content of that report is confidential.

7 Statutory matters

In accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 we confirm the following:

- Company name: The Bodychef Limited
- Registered office: Townshend House, Crown Road, Norwich, NR1 3DT
- Registered number: 04383801
- Liquidators: Hayley Watson and Andrew McTear
- Liquidators' address: Townshend House, Crown Road, Norwich, NR1 3DT
- Liquidators' contact number: 01603 877540
- Date of appointment: 12 February 2020

8 Remuneration disbursements and expenses

8.1 Remuneration and disbursements

My pre appointment costs in respect of assistance provided to the director in preparing the director's statement of affairs and seeking a decision from creditors on the appointment of a liquidator in the sum of £5,000 plus disbursements plus VAT were approved by creditors on 2 April 2020 by a resolution by correspondence.

My remuneration as joint liquidator was also authorised by creditors on 2 April 2020 by a resolution by correspondence on a time cost basis as set out in my fee estimate of £27,964. That estimate acted as a cap.

In addition creditors resolved that category 2 disbursements in respect of photocopying, mileage, storage and advertising be charged at the approved rates.

Since my appointment and in accordance with the above my remuneration and category 2 disbursements charged are:

Figure 1: Summary of time costs, remuneration charged and category 2 disbursements

Period 12 February 2020 to 7 January 2021	Hours	Time and disbursement costs recorded £	Accrued	Amount charged and paid £
Remuneration	242	51,081	n/a	3,000
Category 2 disbursements				
- photocopying	n/a	92	n/a	92
- mileage	n/a	53	n/a	53
- storage	n/a	303	n/a	290
	<u>242</u>	<u>51,529</u>	<u>n/a</u>	<u>3,435</u>
Average rate per hour	£208			
Source: Liquidators' records				

Attached at Appendix 3 is a summary of my firm's total time costs from the commencement of the liquidation to 7 January 2021 and attached as Appendix 4 is a comparison of the actual time spent with my fee estimate.

As at the date of this report my total time costs have exceeded the fee estimate set out in my fee proposal dated 6 March 2020 as a result of the further work required in respect of realising and dealing with the assets detailed in section 3 above.

The relevant creditors' guide to liquidators' fees in a liquidation which came into force in April 2017 and this firm's practice fee and disbursement recovery policy can be found on our website www.mw-w.com by clicking on creditor portal and then fees and costs or a copy can be requested from this office. Disbursements are recovered at cost. Our current charge out rates are director £440, associate director £420, associate £390, senior manager/manager £295-£330, assistant manager/senior professional £225-£270, assistant £155, assistant administrator £135 and trainee £85. Our charge out rates are reviewed annually and since 1 January 2003 have increased as detailed in our policy document.

8.2 Liquidation expenses

Details of the liquidation expenses incurred in the period of this report are attached as Appendix 5.

9 Further information

I am required to inform you that I am bound by the Insolvency Code of Ethics and further information on this, complaints procedures, our data protection/privacy statement, provision of services regulations and other statutory regulatory information can also be found on our website by clicking on creditor portal and then useful information for creditors.

10 Release

The winding up of the Company is now for all practical purposes complete and I am seeking my release as liquidator of the Company. Creditors and members should note that provided no written objections to my release are received I shall obtain my release as liquidator following the delivery of my final notice to the Registrar of Companies.

If you require any further information please do not hesitate to contact Kelly Goodman at the above address.

Yours faithfully

A handwritten signature in black ink, consisting of a large, stylized 'H' or 'W' shape with a long horizontal line extending to the right.

Hayley Watson
Joint Liquidator

Enclosures

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

Statement of Affairs £		From 12/02/2020 To 07/01/2021 £	From 12/02/2020 To 07/01/2021 £
	ASSET REALISATIONS		
	Business Rates Refund	260.59	260.59
NIL	Capitalised advertising/website expend	NIL	NIL
	Cash at Bank	85.27	85.27
NIL	Fixtures, Fittings & Equipment	NIL	NIL
NIL	Investment in subsidiary	NIL	NIL
12,000.00	Plant & Machinery	11,899.00	11,899.00
NIL	VAT Repayment	NIL	NIL
		12,244.86	12,244.86
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	1,228.99	1,228.99
	Agents/Valuers Fees (2)	990.00	990.00
	Appointment takers fees	3,000.00	3,000.00
	Bordereau	54.00	54.00
	Insurance of Assets	134.40	134.40
	Legal Fees (1)	500.00	500.00
	Non recoverable VAT	87.91	87.91
	Other Property Expenses	569.79	569.79
	Photocopying	91.85	91.85
	Pre appointment fees approved	5,000.00	5,000.00
	Stationery & Postage	71.65	71.65
	Statutory Advertising	173.30	173.30
	Storage/archiving costs	289.87	289.87
	Travel & expenses	53.10	53.10
		(12,244.86)	(12,244.86)
	PREFERENTIAL CREDITORS		
(10,000.00)	Pref cred - E'ees wages/hol pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(95,000.00)	Unsecured cred - Employees	NIL	NIL
(5,000.00)	Unsecured cred - PAYE/NIC	NIL	NIL
(70,000.00)	Unsecured cred - Trade and expense	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(344,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(512,000.00)		0.00	0.00
	REPRESENTED BY		
			NIL

The Bodychef Limited (in creditors' voluntary liquidation)

Formerly known as: N/A

Trading as: N/A

Company number: 04383801

Notice about final dividend position

Notice is given under Rule 14.36 of The Insolvency (England and Wales) Rules 2016, by Hayley Watson and Andrew McTear, the joint liquidators to the creditors of The Bodychef Limited, that no dividend will be declared to unsecured creditors.

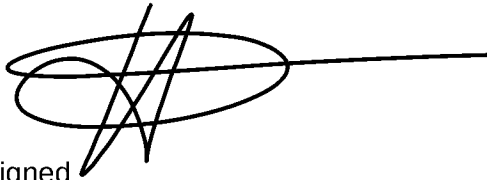
A dividend will not be declared to unsecured creditors as the funds realised have been used to make payments to meet the expenses of the liquidation.

Notice accompanying final account

Notice is also given by Hayley Watson and Andrew McTear under Rule 6.28 of The Insolvency (England and Wales) Rules 2016 and Section 106 of The Insolvency Act 1986 that the Company's affairs have been fully wound up.

- 1 In accordance with Rule 18.9 of The Insolvency (England and Wales) Rules 2016 creditors may request further details of the joint liquidator remuneration and expenses within 21 days of receipt of the final account with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question). Secured creditors may also request further details.
- 2 Creditors may apply to court under Rule 18.34 of The Insolvency (England and Wales) Rules 2016 to challenge the amount and/or basis of the joint liquidators' fees and the amount of any proposed expenses or expenses already incurred within eight weeks of receipt of the final account, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question). Secured creditors may also make an application.
- 3 Creditors may object in writing to the release of the joint liquidators within eight weeks of delivery of this notice or before the conclusion of any request for information under Rule 18.9 of The Insolvency (England and Wales) Rules 2016 regarding the joint liquidators' remuneration or expenses, or before the conclusion of any application to Court under Rules 18.34 and 18.35 of The Insolvency (England and Wales) Rules 2016 to challenge the joint liquidators' fees or expenses, whichever is the later.
- 4 The joint liquidators will vacate office under Section 171 of The Insolvency Act 1986 upon expiry of the period that creditors have to object to their release and following delivery to the Registrar of Companies of their final account and notice.
- 5 The joint liquidators will be released under Section 173 of The Insolvency Act 1986 at the same time as vacating office providing no objections are received.

Creditors requiring further information regarding the above should contact Kelly Goodman at McTear Williams & Wood Limited, Townshend House, Crown Road, Norwich, NR1 3DT or by telephone on 07971 529922 or by email at kellygoodman@mw-w.com.

A handwritten signature in black ink, consisting of a large, stylized 'H' or 'W' shape with a horizontal line extending to the right.

Signed

Hayley Watson
Joint Liquidator

Dated 8 January 2021

Appendix 3

Time Entry - Detailed SIP9 Time & Cost Summary

THEB2331 - The Bodychef Limited
 From: 12/02/2020 To: 08/01/2021
 Project Code: POST

Classification of Work Function	Directors	Associates & Managers	Assistant Mgrs & Snr professionals	Case Administrators	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)
103 : Post appointment bank account	0.00	3.30	2.20	0.00	16.30	21.80	3,637.50	166.86
109 : Standard pre appointment work	0.00	0.10	0.10	0.00	0.00	0.20	60.00	300.00
113 : Appointment formalities	0.20	5.50	8.00	0.00	13.50	27.20	5,682.50	208.92
114 : Checklists & IPS diary	0.20	0.50	1.50	0.00	4.40	6.60	1,148.50	174.02
115 : Case strategy & reviews	0.00	4.00	4.40	0.00	1.30	9.70	2,580.50	266.03
117 : Case progression meetings	0.50	2.60	0.20	0.00	0.50	3.80	1,263.50	332.50
118 : Fees & billing	0.20	1.40	3.30	0.00	5.30	10.20	1,985.50	194.66
119 : Closing formalities	0.00	1.40	4.50	0.00	1.60	7.50	1,999.00	266.53
120 : Bonding and pre appt insurance	0.00	0.50	1.00	0.00	1.60	3.10	637.00	205.48
Admin & Planning	1.10	19.30	25.20	0.00	44.50	90.10	18,994.00	210.81
506 : Unsecured - general correspondence	0.30	4.70	0.40	0.00	10.30	15.70	3,022.50	192.52
508 : Employees & RPS	0.00	3.70	2.30	0.00	34.00	39.00	6,011.50	154.14
513 : Pension	0.00	1.00	0.70	0.00	9.20	10.90	1,577.00	144.68
514 : Reporting to creditors	0.00	1.50	5.70	0.00	7.20	14.40	3,064.00	214.17
515 : VAT / Tax	0.00	0.20	0.10	0.00	0.00	0.30	93.00	310.00
Creditors	0.30	11.10	9.20	0.00	60.70	80.30	13,788.00	171.71
202 : SIP2 / CDDA	0.00	1.90	7.00	0.00	1.20	10.10	2,687.50	266.09
204 : Books and records	0.00	5.00	0.00	0.00	10.10	15.10	3,376.50	223.61
Investigations	0.00	6.90	7.00	0.00	11.30	25.20	6,064.00	240.63
301 : Debtors	0.00	0.40	0.00	0.00	0.60	1.00	207.00	207.00
306 : Insurance	0.00	0.00	0.40	0.00	1.60	2.00	244.00	122.00
307 : Chattel	0.00	10.30	1.00	0.00	1.60	12.90	4,468.00	346.36
308 : Property	0.00	2.20	1.30	0.00	5.40	8.90	1,795.50	201.74
310 : Civil recovery action & litigation	0.00	0.30	0.00	0.00	0.00	0.30	117.00	390.00
311 : Pre appointment bank account	0.00	0.40	0.80	0.00	5.80	7.00	1,005.00	143.57
312 : Director's loan account	0.00	3.60	0.90	0.00	3.60	8.10	2,085.50	257.47
318 : Assets not on SoIA	0.00	0.00	0.70	0.00	0.00	0.70	189.00	270.00
320 : VAT / Tax	0.00	1.80	4.00	0.00	3.50	9.30	2,123.50	228.33
Realisation of Assets	0.00	19.00	9.10	0.00	22.10	50.20	12,234.50	243.72
Total Hours	1.40	56.30	50.50	0.00	138.60	245.80	51,080.50	207.81
Total Fees Claimed							3,000.00	

Time Entry - SIP9 Time & Cost Summary

Category 2 Disbursements

THEB2331 - The Bodychef Limited
Project Code: POST
From: 12/02/2020 To: 08/01/2021

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Amount
17/02/2020	Photocopying	43.40
27/02/2020	Photocopying	48.45
01/05/2020	One off destruction charges - 01.02.20 - 30.04.20	42.00
01/05/2020	One off 15 month storage re closure - 01.02.20 - 30.04.20	157.50
01/05/2020	New boxes - 01.02.20 - 30.04.20	40.95
01/05/2020	Mileage - 01.02.20 - 30.04.20	53.10
31/07/2020	Quarterly Category 2 Storage 01.05.20 - 31.07.20	31.50
31/10/2020	Quarterly Category 2 disbursements - Storage 01.08.20 - 31.10.20	31.50
Total		448.40

Appendix 4

The Bodychef Limited (in creditors' voluntary liquidation)

Comparison of actual time spent for the period 12 February 2020 to 7 January 2021 with the fee estimate

Insolvency practitioner fee estimate	Note	Estimated hours	Estimated average rate £	Estimated cost £	Actual hours	Actual average rate £	Actual cost £
Admin and planning	1	42	240	9,930	90	211	18,994
Case specific matters	2	nil	nil	nil	nil	nil	nil
Creditors	3	30	270	8,004	80	172	13,788
Investigations	4	14	280	3,840	25	241	6,064
Realisations of assets	5	23	270	6,190	50	244	12,235
Trading	6	nil	nil	nil	nil	nil	nil
		<u>109</u>	<u>257</u>	<u>27,964</u>	<u>246</u>	<u>208</u>	<u>51,081</u>

Notes

The work undertaken on this case includes routine administrative functions, statutory and compliance work required by statute, professional regulatory guidance or is otherwise necessary for the orderly conduct of the proceedings. Whilst this may not produce any direct benefit for creditors it still has to be carried out.

The appendix above details work under the following classifications:

1 Admin & Planning

This encompasses work required by statute and necessary for case progression.

I have exceeded the cost detailed in my initial estimate as I spent longer than anticipated in dealing with appointment formalities including having to raise queries with Isadore Goldman on the appointment documentation. At the commencement of these case I did not expect to identify any queries and therefore did not allow for this extra time in my fee estimate.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

2 Case specific matters

This includes matters specific to the case which are not covered by any of the other categories of activity.

No time has been spent on case specific matters.

3 Creditors

This includes statutory reporting, corresponding with creditors and shareholders, creating and updating the list of creditors, responding to enquiries from creditors and shareholders and reviewing completed creditor claim forms.

I have exceeded the cost detailed in my initial estimate as I have received more creditor queries than initially anticipated. Although this work is not of financial benefit to creditors it still has to be completed. I also incurred more time dealing with employees claims was more challenging than anticipated. Again, this work is not of benefit to creditors but generally has to be done.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

4 Investigations

As referred to in section 6 of the report I have completed my statutory obligation to investigate the conduct of the director and filed my report with the Department for Business Energy & Industrial Strategy. Non-statutory work required includes reviewing the Company's accounting records to identify any potential assets and claims to be pursued for the benefit of creditors.

I have exceeded the cost detailed in my initial estimate as a result of the further work required in obtaining and reviewing the Company's pre-appointment bank statements and trying to correspond with the Company's pre-appointment accountants regarding their work completed.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

5 Realisation of assets

To discharge my duty to realise the assets of the Company this includes identifying, securing and insuring and realising assets.

I have exceeded the cost detailed in my initial estimate as additional time was spent liaising with the director and the Redundancy Payments Office in respect of the proposed settlement for the director's loan account and dealing with VAT matters and liaising with HM Revenue & Customs in this respect.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

6 Trading

No time has been incurred in respect of trading.

The Bodychef Limited (in creditors' voluntary liquidation)

Liquidation expenses

I have incurred expenses since my appointment of £4,170 plus VAT.

The major areas of expenditure incurred in the period of this report and the reasons why these were incurred were:

- George Hazell & Co were instructed to assist with the collection and sale of the Company's chattel assets at auction. They were instructed on a time costs basis and incurred costs of £2,180 plus VAT, all of which has been paid.
- Isadore Goldman were instructed on a time costs basis to provide advice on matters in relation to the correct documentation for the appointment of myself and Andrew McTear as joint liquidators. They incurred costs of £500 plus VAT all of which has been paid.

Detailed below is a statement of the expenses accrued in the liquidation during the period covered by this report.

As at the date of this report I have exceeded the total expenses estimated in my fee proposal as a result of the additional property expenses as well as costs incurred from the legal advice which was required regarding the appointment documentation as detailed above. These costs were not initially anticipated.

Statement of expenses incurred and not paid for in the period 12 February 2020 to 7 January 2021

Nature of expense	Details	Estimated expenses	Expenses brought forward	Expenses incurred in period	Expenses paid in period	Expenses written off
		£	£	£	£	£
Professional fees						
Agents fees	George Hazell & Co	2,000	Nil	2,180	2,180	Nil
Agents fees	Carndearg Consultants Ltd t/a PCA	Nil	Nil	39	39	Nil
Legal Fees	Isadore Goldman	Nil	Nil	500	500	Nil
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		2,000	Nil	2,719	2,719	Nil
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Sundry expenses						
Statutory advertising		173	Nil	173	173	Nil
Bordereau insurance		54	Nil	54	54	Nil
Other property expenses		Nil	Nil	570	570	Nil
Stationery and postage		57	Nil	72	72	Nil
Insurance of assets		500	Nil	134	134	Nil

	<u>794</u>	<u>Nil</u>	<u>1,003</u>	<u>1,003</u>	<u>Nil</u>
Category 2 disbursements					
Photocopying	65	Nil	92	92	Nil
Travel/Mileage	80	Nil	53	53	Nil
Storage	114	Nil	303	290	13
	<u>259</u>	<u>Nil</u>	<u>448</u>	<u>435</u>	<u>13</u>
	<u>3,053</u>	<u>Nil</u>	<u>4,170</u>	<u>4,157</u>	<u>13</u>

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 consider their expertise and reputation are sufficient for me to rely on their judgement. I also consider their fees represented value for money and am satisfied that they are reasonable in the circumstances of this case.

Routine work undertaken

Time spent on casework is recorded in 6 minute units under the following categories:

Admin and planning

Statutory and compliance

Carried out in
period of report

- Collating initial information to enable us to carry out our statutory duties including creditor information, details of assets and other information. ☒
- Providing initial statutory notifications of our appointment to the Registrar of Companies, clients, creditors, other stakeholders and advertising our appointment. ☒
- Submitting initial notifications to HM Revenue & Customs. ☒
- Ensuring compliance with statutory obligations arising from the Insolvency Act 1986 within the relevant timescales. ☒
- Arranging for the redirection of the Company's mail. ☐
- Completing closing formalities. ☒

Post appointment bank account

- Setting up estate bank account. ☒
- Preparing and processing vouchers for the payment of post appointment invoices. ☒
- Creating remittances and sending payments to settle post appointment invoices. ☒
- Reconciling post appointment bank accounts. ☒

Checklists & IPS diary

- Use of multiple checklists and standard and modified diaries on our case management software. ☒

Case progression meetings

- Formulating, monitoring and reviewing case strategy and meetings with internal and external parties to agree the same. ☒
- Briefing staff on the case strategy and matters in relation to various work streams. ☒
- Regular reviews of progress and case management including team update meetings and calls. ☒
- Reviews, routine correspondence and other work. ☒
- Allocating and managing staff/case resourcing and reviews. ☒
- Documenting strategy decisions. ☒

Fees & Billing

- Preparation of our fee and expenses estimate. ☒
- Seeking a decision from creditors to fix the basis of remuneration. ☒

- Reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9.

✓

Bonding

- Arranging bonding and reviewing the adequacy of the bond on a quarterly basis.

✓

Note: Insolvency practitioners when appointed to act must have in place a bond which contains provisions whereby a surety or cautioner undertakes to be jointly or severally liable for losses in relation to the insolvent.

┐

Creditors

Shareholders

- Providing notification of appointment and reports to shareholders.
- Responding to enquiries from shareholders.

✓

┐

Secured

- Issuing our initial letter to secured creditors to obtain information and copy charges.
- Considering background to charge and which assets are covered.
- Calculation of the prescribed part and estimated outcomes.
- Agreeing secured creditors claims including checking the validity of security
- Reporting on progress of liquidation.

┐

┐

┐

┐

┐

Preferential – adjudicate, declare & pay

- Agreeing preferential creditors' claims
- Issuing notice of intended dividend, declaring dividend and making payment.
- Accounting to HM Revenue & Customs for tax.

┐

┐

┐

Unsecured – general correspondence

- Seeking to pass resolutions by correspondence and convening and preparing for meetings of creditors if requested.
- Creating and updating the list of unsecured creditors.
- Responding to enquiries from creditors regarding submission of their claims, prospects and paperwork required
- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.

✓

✓

✓

✓

Committee

- Forming a creditors' committee, reporting and liaising as necessary

┐

Employees & RPS

- Dealing with queries from employees regarding various matters relating to their employment if applicable.

✓

▪ Issuing claim information to employees and assisting employees to complete online applications.	✓
▪ Correspondence with employees to establish pay during notice period.	┐
▪ Dealing with statutory employment related matters including obtaining information from Company records, statutory notices to employees and making statutory submissions to the relevant government departments if applicable.	✓
▪ Reviewing employment contracts.	✓
▪ Liaising with Job Centre Plus, union representatives and payroll providers.	┐
▪ Administering the Company's payroll including associated taxation and other deductions and preparing PAYE and NIC returns where applicable.	┐
▪ Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks.	┐
▪ Communicating and corresponding with HM Revenue & Customs.	✓
▪ Dealing with issues arising from employee redundancies including statutory notifications and liaising with the Redundancy Payments Service if applicable.	✓
▪ Agreeing employees claims to claims paid by Redundancy Payments Service.	┐
▪ Managing claims from employees if applicable.	✓
▪ Processing and agreeing Redundancy Payments Service claims.	┐
Landlords	
▪ Dealing with landlord's claims for arrears of rent, loss of future rent and dilapidations.	┐
Unsecured – adjudicate & pay	
▪ Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.	┐
▪ Agreeing/rejecting secured/preferential/client/unsecured claims.	┐
▪ Corresponding with rejected claims.	┐
▪ Dealing with disputed claims which would materially affect the dividend to other creditors.	┐
▪ Issuing a notice of intended dividend and placing an appropriate gazette notice.	┐
▪ Calculating, declaring and paying a dividend to creditors.	┐
Pension	
▪ Requesting information from pension company and establishing if any claims.	┐
▪ Collating information and reviewing the Company's pension schemes where applicable.	✓

- Ensuring compliance with our duties to issue statutory notices. ✓
- Calculating employee pension contributions and review of pre-appointment unpaid contributions if applicable. ┐
- Communicating with employees' representatives concerning the effect of the insolvency on pensions ┐

Reporting to creditors

- Preparing statutory receipts and payment accounts. ✓
- Preparing progress reports to members and creditors and filing with Court/Registrar as appropriate. ✓

Investigations

SIP 2/ CDDA

- Reviewing pre appointment transactions. ✓
- Reporting on the director's conduct to the Insolvency Service. ✓
- Reviewing the questionnaires submitted by the directors of the Company. ✓

Books & records

- Locating relevant Company books and records, arranging for their collection, listing records and dealing with ongoing storage. ✓
- Collating information from the Company's records regarding assets and /or investigations. ✓

Investigating potential claims

- Identifying possible causes of action which could lead to a return to creditors. ┐
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors etc. ┐
- Considering and discussing merits of potential claims with solicitors. ┐
- Identifying heads of claims. ┐
- Interrogating the books and records to provide evidence, meetings with the directors over a number of months to negotiate a settlement of the claims. ┐
- Instructing solicitors to advise on the merits of the claim and if appropriate to commence action on the claim. ┐
- Preparing documents of solicitors and editing draft witness statements and reviewing other documents. ┐

Realisation of assets

Debtors

- Reviewing outstanding debtors and agreeing debt collection strategy. ┐
- Liaising with Company credit control staff and communicating with debtors. ┐

- Reconciling the sales ledger control account. ┐
- Locating and copying invoices. ┐
- Researching queries identified by debtors and agreeing to credit notes and/or disputing the queries. ┐
- Seeking legal advice in relation to book debt collections if applicable. ┐
- Considering merits of taking legal action and pursuing as appropriate, considering or providing further evidence as required. ┐
- Reviewing the inter-company debtor position between the Company and other group companies if applicable. ┐
- Identifying and realising debts that are not trade debts or director loan accounts, if shown on the statement of affairs. ┐

Business sale

- Planning the strategy for the sale of the business and assets including instruction and liaison with professional advisers. ┐
- Collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale if applicable. ┐
- Identifying interested parties by reference to information provided by the directors, our own contacts and research of interested buyers. ┐
- Sending out memorandums to interested parties and collating return of confidentiality letters. ┐
- Chasing up interest and sending additional information. ┐
- Dealing with queries from interested parties and managing the information flow to potential purchasers if applicable. ┐
- Managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties if applicable. ┐
- Consideration of offers. ┐
- Carrying out sale negotiations with interested parties if applicable. ┐
- Instructing solicitors to draft sale and purchase agreement. ┐
- Issuing press releases and posting information on our website/IP-bid as appropriate. ┐
- Addressing potential ROT claims arising and other contract specific matters in the sale and purchase agreement. ┐
- Agreeing and signing documents, monitoring the terms of sale and collecting the consideration. ┐

Insurance

- Arranging ongoing insurance for the Company's business and assets. ┐

- Liaising with post appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place.
- Reviewing whether any insurance premiums due.
- Assessing the level of insurance premiums.

Chattel

- Liaising with agents regarding the sale of assets.
- Dealing with any third party claims.

Property

- Reviewing the Company's leasehold properties including review of leases if applicable.
- Communicating with landlords regarding rent, property occupation and other issues if applicable.
- Performing land registry searches if applicable.
- Securing, insuring and making ready for sale.
- Instructing agents to market, reviewing marketing materials and considering the most appropriate method of sale.
- Instructing solicitors.
- Liaising with secured creditors.
- Dealing with tenants and utility companies.
- Considering offers and negotiating heads of terms for sale.
- Consider, review and amend sale contracts.
- Dealing with rating authorities, planning issues and environmental issues.
- Reviewing completion statement, paying fees and costs of solicitors and agents and secured creditors' claims.

ROT claims

- Receiving and responding to claims from creditors that claim to have retained title to goods supplied.
- Establishing terms of business and assets on site.

Pre appointment bank account

- Liaising with the bank regarding transfer of funds and the closure of pre appointment bank accounts.

- Dealing with the Company's pre appointment account.

✓

Directors' loan account

- Identifying from the Company's books and records.

✓

- Interrogating Company's books and records to substantiate the claims in the accounts.

✓

- Interviewing the directors and considering investigating and responding to possible defences put forward.

┐

- Discussions with the directors in relation to settlement of the debt.

✓

- Instructing solicitors and editing witness statements for Court.

┐

- Collecting monies owed by directors

┐

Bank miss-selling claims & similar

- Reviewing potential claims and instructing agents as necessary.

┐

Assets not on statement of affairs

- Dealing with assets identified following appointment which were not detailed on the statement of affairs.

┐

VAT & tax

- Gathering initial information from the Company's records in relation to taxation.
- Corresponding with the Company's former accountants, HM Revenue & Customs and directors to understand and obtain copies of the previous tax returns and accounts.
- Calculating and claiming VAT bad debt relief.
- Calculating and claiming corporation tax terminal loss relief.
- Reviewing the Company's pre-appointment corporation tax and VAT position.
- Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations.
- Analysing VAT related transactions.
- Dealing with post appointment tax returns and compliance.
- Prepare or instruct accountants to prepare tax returns to reclaim tax.

✓

✓

┐

┐

✓

┐

✓

✓

┐

Trading

Strategy and management

- Monitoring and controlling the day to day trading of the business.

┐

- Preparing cash flow statements to monitor the cash position.
- Securing petty cash on site and monitoring spend.
- Dealing with issues in relation to stock and other assets required for trading.
- Monitoring stock and stock reconciliations.
- Monitoring ongoing trading including attending site.
- Attending to supplier and customer queries and correspondence.
- Dealing with hauliers to ensure ongoing services.
- Ensuring ongoing provision of emergency and other essential services to site.
- Ongoing health and safety compliance.
- Dealing with landlord and property issues.
- General management and supervision of trading carried out by our staff based on site.
- Compliance with legal and licensing obligations and ongoing monitoring.
- To do all such other things as may be necessary or expedient for the management of the affairs, business and property of the company.

Employees

- Liaising with staff and trade unions.
- Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid.

Utilities/purchases

- Attending to supplier and customer queries and correspondence.
- Raising, approving and monitoring purchase orders and setting up control systems for trading.
- Negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions in order to ensure continued support.

Sales/contracts

- Communicating and negotiating with customers regarding ongoing supplies including agreeing terms and conditions.