In accordance with Rule 18.8 of the Insolvency (England & Wales) Rules 2016.

WU07

Notice of progress report in a winding-up by the court

Companies House

WEDNESDAY

ABAM3NNE
A19 17/08/2022 #296
COMPANIES HOUSE

1 Company details

Company number	0 5 5 1 9 8 5 7
Company name in full	Sterling Methods Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s)	Richard
Surname	Brewer

3 Liquidator's address

Building name/number	Highfield Court, Tollgate
Street	Chandlers Ford
Post town	Eastleigh
County/Region	
Postcode	S O 5 3 3 T Y
Country	

4 Liquidator's name ❶

Full forename(s)	Matthew
Surname	Wild

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	Third Floor, One London Square
Street	Cross Lanes
Post town	Guildford
County/Region	
Postcode	G U 1 1 U N
Country	

❷ **Other liquidator**
Use this section to tell us about another liquidator.

WU07
Notice of progress report in a winding-up by the court

6 Period of progress report

From date	1 7 / 0 6 / 2 0 2 1
To date	1 6 / 0 6 / 2 0 2 2

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X
Signature date	1 0 / 0 8 / 2 0 2 2

WU07
Notice of progress report in a winding-up by the court

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	Richard Brewer
Company name	RSM UK Restructuring Advisory LLP
Address	Highfield Court, Tollgate
	Chandlers Ford
Post town	Eastleigh
County/Region	
Postcode	S O 5 3 3 T Y
Country	
DX	
Telephone	023 8064 6464

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

STERLING METHODS LIMITED - IN LIQUIDATION

LIQUIDATORS' PROGRESS REPORT

FOR THE TWELVE MONTH PERIOD TO 16 JUNE 2022

RSM

INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder	Case manager
Richard Brewer	Jet Ghag
RSM UK Restructuring Advisory LLP	RSM UK Restructuring Advisory LLP
Highfield Court, Tollgate, Chandlers Ford,	Highfield Court, Tollgate, Chandlers Ford,
Eastleigh, Hampshire SO53 3TY	Eastleigh, Hampshire SO53 3TY
Tel: 023 8064 6464	Tel: 023 8064 6464

Basis of preparation

This report has been prepared solely to comply with legislation to provide creditors with information relating to the progress of the liquidation. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Liquidators nor RSM UK Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Liquidators act as agents of the Company and without personal liability.

General guidance on the Liquidation process

You can find guidance on the different insolvency processes at the R3 website www.R3.org.uk. R3 is the trade association for the insolvency profession.

Contents

CONDUCT OF THE LIQUIDATION

Realisation of assets

Director's loan account

The filed accounts to 31 July 2012 showed a director's loan account balance of £54,020. On investigation, the Liquidator identified payments to the director between 1 August 2012 and 17 June 2014 of £134,201 and asserted that a principal sum of £188,221 was due from the director at the commencement of the liquidation.

A bankruptcy petition was presented against the director by the Joint Liquidators in respect of the balance of the director's loan account and on 20 October 2020 the director was adjudged bankrupt. Joint Trustees in bankruptcy have been appointed in relation to the director's estate.

The Joint Liquidators have made a claim for £188,221 in the bankruptcy estate, in which the main asset is the director's property. The Joint Liquidators' enquiries ascertained that the property is registered in the sole name of the director but there is a notice of home rights under the Family Law Act 1996 registered against the title, in favour of his former wife. However, the Joint Liquidators have been informed by the Joint Trustees that the debtor's former wife is not pursuing an interest in the property.

A property valuation undertaken by the Joint Trustees indicated the property is worth in the region of £950,000. It is subject to a mortgage and the Joint Trustees have estimated the equity in the property at approximately £470,000. There are significant mortgage arrears and the mortgagee has obtained an order for possession and sale of the property. The property is being marketed for sale by the debtor and therefore the mortgagee has not yet taken any steps to enforce the order.

The time costs incurred to date in respect of asset realisations are shown on the attached analysis of time costs.

Investigations

All investigative matters have previously been reported.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure case management. Key work done in the period included:

Statutory requirements

- preparing, reviewing and issuing a progress report to creditors and other prescribed parties,
- post-appointment VAT, corporation and other post-appointment tax returns and payments, and
- general taxation matters.

Case management matters

- periodic case reviews, ongoing case planning,
- maintaining and updating case management records,
- dealing with routine correspondence not attributable to other categories of work,
- maintenance of cashiering records, bank accounts, receipts and payments, billing, and
- ongoing consideration of ethical, conflict and anti-money laundering checks.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue & Customs shown separately.

OUTSTANDING MATTERS

Assets remaining to be realised

Please see above.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£'000)	Paid to date (£)	Estimated future prospects
Secured creditor	Nil	Nil	Nil
Preferential creditors	Nil	Nil	Nil
Unsecured creditors	75	Nil	Uncertain
Estimated Net Property	Nil	Nil	Nil
Estimated 'Prescribed Part' available for creditors	Nil	Nil	Nil

Prescribed part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to a maximum of £800,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

However, there are no QFCHs and the Prescribed Part does not, therefore, apply.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being paid to that particular class of creditor.

In this case, dividend prospects are uncertain and at the present time, no work has been done to agree creditors' claims, other than that necessary for the purposes of admitting claims for voting, where applicable.

Creditors whose debts are treated as a small debt in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of debt if they wish to vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed:

- dealing with communication with creditors, and
- maintenance of schedules of creditors' claims.

Creditors only derive an indirect financial return from this work on cases where a dividend is payable.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT LIQUIDATORS' FEES, COSTS AND EXPENSES

Guide to Liquidator's fees and expenses

A Guide to Liquidator's Fees, which provides information for creditors in relation to the fees and expenses of a Liquidator, can be accessed at [illegible] under 'general information for creditors'. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Petitioning creditor's costs and expenses

A winding up petition was presented in Court against the Company by HM Revenue & Customs. The Joint Liquidators have been advised the costs and expenses of presenting the petition are £1,995. These costs have yet to be agreed and paid.

Relevant Approving Body

The unsecured creditors are the Relevant Approving Body and will be responsible for approving the Liquidators' fee basis and, where applicable, 'Category 2' expenses. However, if a liquidation committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Post-appointment fees, costs and expenses

Basis for remuneration

Insolvency legislation allows a Liquidator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Liquidator has to deal with (percentage basis);
- to the time spent by the Liquidator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The Relevant Approving Body approved the Joint Liquidators' fees on a time cost basis. The following resolution was passed on 17 September 2014:

> *"The Liquidator shall be authorised to draw his remuneration based upon his time costs by reference to the time properly given by the Liquidator and his staff, in attending to matters arising in the liquidation at RSM Restructuring Advisory LLP standard hourly rates, at the rates prevailiing at the time the work is done"*

Remuneration charged

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done. It does not mean the Liquidators' fees have been paid. Amounts paid to date, if any, are shown in the attached receipts and payments account.

During the period, the remuneration charged by the Joint Liquidators, on the basis set out above, totalled £7,167 An analysis of time incurred in the period is attached. Time costs incurred since appointment total £70,026.

Further fee approval

The amount of fee that can be drawn is limited to the revised amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate, cannot be further increased or the percentage rate changed, without their approval.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Liquidators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	Nil	10
Statutory advertising	Nil	Nil
Website fee	Nil	Nil
Books & records collection & storage	Nil	Nil
Total	Nil	10

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Liquidators, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the Relevant Approving Body before being paid from the insolvency estate.

The Relevant Approving Body has approved the payment of the 'Category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (£100 per hour)	Nil	Nil
Mileage (42.5p per mile)	Nil	Nil
Tracker reports (£10 per report)	Nil	Nil
Subsistence (£25 per night)	Nil	Nil
Total	Nil	Nil

Other professional costs

The Liquidators retained the following advisers based on their experience and expertise. These costs are not subject to approval by the Relevant Approving Body. However, they are subject to review and approval by the Liquidators.

Party	Nature of advice	Total estimated (£)	Incurred in period (£)
Blake Morgan LLP	Legal Advice – ongoing assistance relating to the director's bankruptcy estate	Nil	Nil
Total		Nil	Nil

Creditors' right to information and ability to challenge remuneration and expenses

In accordance with legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

If you wish to make a request for further information, then it must be made within 21 days of receipt of this report in writing by either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court on the grounds that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive. Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

Richard Brewer
Restructuring Advisory Director
RSM UK Restructuring Advisory LLP
Joint Liquidator

APPENDICES

APPENDIX A - STATUTORY INFORMATION

Company information

Company name:	Sterling Methods Limited
Company number:	05519857
Date of incorporation:	27 July 2005
Trading name:	-
Trading address:	188 Rotherhithe Street, London SE16 7RB
Principal activity:	Computer and Related Activities
Registered office:	RSM UK Restructuring Advisory LLP Highfield Court, Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Previous company names:	-
Director:	Mr Mufutau Olusanya
Secretary:	-

Liquidation information

Court reference:	High Court of Justice No 5657 of 2013	
Liquidators:	Richard Brewer appointed 3 June 2021 Matthew Wild appointed 3 June 2021 Alexander Kinninmonth appointed on 17 June 2014 and released on 17 July 2021	
Date of appointment:	See above	
Liquidators:	**Primary office holder** Richard Brewer RSM UK Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TY 023 8064 6464 IP Number: 9038	**Joint office holder** Matthew Wild RSM UK Restructuring Advisory LLP Third Floor, One London Square, Cross Lanes, Guildford, GU1 1UN 01293 591822 IP Number: 9300

APPENDIX B - RECEIPTS AND PAYMENTS SUMMARY

Statement of Affairs £		From 17/06/2021 To 16/06/2022 £	From 17/06/2014 To 16/06/2022 £
	ASSET REALISATIONS		
	Deposit on Petition	NIL	1,165.00
1.00	Director's Loan Account	NIL	4,940.00
	Other Refunds	NIL	117.58
		NIL	6,222.58
	COST OF REALISATIONS		
	Bank Charges	88.00	704.00
	ISA Quarterly Charges	NIL	NIL
	Legal Fees	NIL	4,355.17
	Official Receivers Debit Balance	NIL	2,235.00
		(88.00)	(7,294.17)
	UNSECURED CREDITORS		
(370.44)	Banks/Institutions	NIL	NIL
(74,886.36)	HM Revenue and Customs	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(75,257.80)		**(88.00)**	**(1,071.59)**
	REPRESENTED BY		
	Insolvency Service Account		(1,656.42)
	VAT Inputs (Outputs)		584.83
			(1,071.59)

APPENDIX C - POST-APPOINTMENT TIME ANALYSIS

Liquidators' post appointment time cost analysis for the period 17 June 2021 to 16 June 2022

On 1 July 2021. RSM UK Restructuring Advisory LLP changed the job titles of some of their staff, and this is reflected in the SIP 9 analysis table. This change does not alter the value of time costs recorded or the column within the table to which that time has been allocated.

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Statutory Requirements									
	Appointment & SoA	0.0	0.0	0.0	0.5	0.0	0.0	0.5	£ 137.50	275.00
	Creditors/shareholders decisions, meetings & reports	0.0	1.0	0.0	4.3	0.0	0.0	5.3	£ 1,677.50	316.51
	Taxation	0.0	0.1	0.0	0.3	0.0	0.0	0.4	£ 132.00	330.00
	Total	**0.0**	**1.1**	**0.0**	**5.1**	**0.0**	**0.0**	**6.2**	**£ 1,947.00**	**314.03**
	Realisation of Assets									
	Debtors & sales finance	0.0	0.8	0.0	8.6	0.0	0.0	9.4	£ 2,761.00	293.72
	Total	**0.0**	**0.8**	**0.0**	**8.6**	**0.0**	**0.0**	**9.4**	**£ 2,761.00**	**293.72**
	Case Specific Matters									
	Director(s)/Debtor/Bankrupt	0.0	0.0	0.0	0.2	0.0	0.0	0.2	£ 55.00	275.00
	Legal Matters	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 27.50	275.00
	Total	**0.0**	**0.0**	**0.0**	**0.3**	**0.0**	**0.0**	**0.3**	**£ 82.50**	**275.00**
	Creditors									
	Unsecured Creditors	0.0	0.0	0.0	1.0	0.0	0.0	1.0	£ 275.00	275.00
	Total	**0.0**	**0.0**	**0.0**	**1.0**	**0.0**	**0.0**	**1.0**	**£ 275.00**	**275.00**
	Administration and Planning									
	Case Management	0.4	1.0	0.2	3.7	0.9	0.0	6.2	£ 1,897.00	305.97
	Cashiering	0.0	0.0	0.0	0.6	0.2	0.0	0.8	£ 204.00	255.00
	Total	**0.4**	**1.0**	**0.2**	**4.3**	**1.1**	**0.0**	**7.0**	**£ 2,101.00**	**300.14**
	Total Hours	**0.4**	**2.9**	**0.2**	**19.3**	**1.1**	**0.0**	**23.9**	**£ 7,166.50**	**299.85**
	Total Time Cost	**£ 238.00**	**£ 1,435.50**	**£ 65.00**	**£ 5,312.50**	**£ 115.50**	**£ 0.00**	**£ 7,166.50**		
Total Hours		**0.4**	**2.9**	**0.2**	**19.3**	**1.1**	**0.0**	**23.9**	**£ 7,166.50**	**299.85**
Total Time Cost		**£ 238.00**	**£ 1,435.50**	**£ 65.00**	**£ 5,312.50**	**£ 115.50**	**£ 0.00**	**£ 7,166.50**		
Average Rates		**595.00**	**495.00**	**325.00**	**275.26**	**105.00**	**0.00**	**299.85**		