

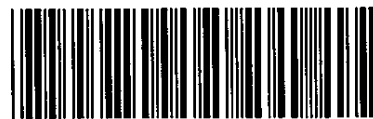
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

FRIDAY



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11/05/2018

#209

COMPANIES HOUSE

### 1 Company details

Company number 0 5 6 7 4 0 5 2

Company name in full SHOES.CO.UK LTD

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

### 2 Liquidator's name

Full forename(s) DIANE ELIZABETH

Surname HILL

### 3 Liquidator's address

Building name/number 5TH FLOOR SHIP CANAL HOUSE,

Street 98 KING STREET,

Post town MANCHESTER

County/Region

Postcode M 2 4 W U

Country

### 4 Liquidator's name

Full forename(s) MARK TERENCE

Surname GETLIFFE

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

### 5 Liquidator's address

Building name/number 5TH FLOOR SHIP CANAL HOUSE,

Street 98 KING STREET

Post town MANCHESTER

County/Region

Postcode M 2 4 W U

Country

② Other liquidator  
Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	d	2	d	3	m	0	m	3	y	2	y	0	y	1	y	7
To date	d	2	d	2	m	0	m	3	y	2	y	0	y	1	y	8

**7** Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X

*John**Gettiff*

X

Signature date

d 0 | 4 |m 0 | 5 |y 2 | 0 | y | 1 | 8 |

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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	Joshua Blinston
Company name	CLB Coopers limited
Address	5 <sup>th</sup> Floor Ship Canal House 98 King Street
Post town	Manchester
County/Region	
Postcode	M2 4WV
Country	
DX	
Telephone	0161 245 1097

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

**Joint Liquidators'  
Annual Progress Report  
to Creditors & Members**

**Shoes.Co.Uk Ltd  
- In Liquidation**

**From 23 March 2017 to 22 March 2018**

## **SHOES.CO.UK LTD - IN LIQUIDATION**

### **CONTENTS**

- 1** Introduction and Statutory Information
- 2** Progress of the Liquidation
- 3** Creditors
- 4** Notice of Intended Dividend
- 5** Joint Liquidators' Remuneration
- 6** Creditors' Rights
- 7** Next Report

### **APPENDICES**

- A** Receipts and Payments Account for the Period from 23 March 2017 to 22 March 2018 and Cumulative Receipts and Payments Account for the Period since the Joint Liquidators' Appointment on 23 March 2016
- B** Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements

## SHOES.CO.UK LTD - IN LIQUIDATION

### 1 Introduction and Statutory Information

- 1.1 Diane Elizabeth Hill, together with Mark Terence Getliffe, of CLB Coopers Limited, Ship Canal House, 98 King Street, Manchester, M2 4WU, were appointed as Joint Liquidators of Shoes.Co.Uk Ltd ("the Company") on 23 March 2016. This progress report covers the period from 23 March 2017 to 22 March 2018 ("the Period") and should be read in conjunction with my previous progress report covering the period from 23 March 2016 to 22 March 2017.
- 1.2 The principal trading address of the Company was Spring Court, Spring Road, Hale, Altrincham, Cheshire, WA14 2UQ.
- 1.3 The registered office of the Company has been changed to c/o CLB Coopers Limited, 5th Floor, Ship Canal House, 98 King Street, Manchester, M2 4WU and its registered number is 05674052.

### 2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.
- 2.2 At **Appendix A** is my Receipts and Payments Account for the Period from 23 March 2017 and my cumulative Receipts and Payment Account since my appointment on 23 March 2016.

#### Settlement Agreement

- 2.3 As noted in my previous progress report, there was an agreement signed between the Company, Nigel Carr, Lorraine Carr and Pigley Stairs Ltd ("Pigley") on 16 May 2017, which agreed that payments would be made by the directors with respect to the unpaid share capital, the director's loan account and the Pigley intercompany loan account for a total of £73,278.04. I can confirm that this money has been received in full during this period in accordance with the payment schedule published in the previous report and is reflected in the Receipts and Payments Account attached at **Appendix A**.
- 2.4 For a more detailed overview of this Agreement, please see my previous report which contains a clear description of this Agreement and how it relates to other issues such as claims by Nigel Carr regarding expenses and employee claims.

#### Stock

- 2.5 During this period, I have continued in negotiation with Debenhams PLC ("Debenhams") regarding an amount of returned stock that they were holding pending the settlement of their claim as an unsecured Creditor. This situation has now been resolved and the stock was collected and sold on my behalf, by JPS Chartered Surveyors ("JPS"). Realisations during the period total £12,541.88, bringing the total realisation to £31,442.64. All stock has now been realised.

#### Websites and Database

- 2.6 The Company owned the domain names leishoes.co.uk and kidsshoes.co.uk, and had a large database of previous customers' contact details. The value attributed to these assets in the Company's accounts was £29,088. The realisable value of these assets was uncertain as the value was to be determined by interest in the market once they were put up for general sale.
- 2.7 I instructed JPS to notify the domain name provider of the Company's liquidation and the Company's interest in them. I suspended activity on the sale of the domain names pending ongoing negotiations with the directors regarding the claims against them as I believed the

## SHOES.CO.UK LTD - IN LIQUIDATION

directors may have had an interest in purchasing the domain names as part of the Agreement. This proved not to be the case.

- 2.8 As a result, I instructed JPS to proceed to market and sell the domain names as soon as possible resulting in a realisation of £2,300 as set out in the Receipts and Payments Account attached at **Appendix A**.
- 2.9 There are no further assets to realise.

### **Investigations**

- 2.10 Since my last progress report, I would advise that no further asset realisations have come to light that may be pursued by me, for the benefit of the Creditors.

## **3 Creditors**

### **Secured Creditors**

- 3.1 HSBC held the benefit of fixed and floating charges over the Company's assets under a debenture dated 22 October 2008. HSBC provided the Company with a loan and at the date of the liquidation the indebtedness to the secured creditor was estimated at £51,765. As noted in Section 2, HSBC to offset the balance held in the Company's current account against the loan amount, before they provided proof of debt of £28,819.65. Bermans Solicitors verified the validity of HSBC's security on my behalf and on 25 July 2016 I declared and paid a distribution to HSBC of £28,819.65 under the terms of their fixed charge security.
- 3.2 Aldermore Invoice Finance Limited ("Aldermore") held an assignment over the Company's book debts and fixed and floating charges over the Company's assets under a debenture dated 31 January 2013. The indebtedness to the secured creditor was estimated at £18,553. After applying termination charges, the liability due to Aldermore was £20,362.32. Bermans confirmed the validity of Aldermore's termination charges and security and on 23 August 2016 I declared and paid a distribution to Aldermore of £20,362.32 under the terms of their fixed charge security.
- 3.3 I have paid both secured creditors in full under their fixed charge security, and there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, known as the Prescribed Part, in this matter.

### **Preferential Creditors**

- 3.4 At the date of liquidation, preferential creditor claims were estimated to total £8,054. This estimated liability included amounts owing to the directors. Their claims against the Company have been settled in full under the Settlement Agreement described in Section 2 of this report. Therefore, the final value of preferential creditors is expected to be lower than originally estimated.
- 3.5 Due to the previous negotiations with Debenhams, regarding the returned stock, I was not able to take steps to declare a dividend. However, as I detailed earlier, that situation has now been resolved and therefore I can now give notice of my intention to declare a first and final dividend to creditors.
- 3.6 It is estimated that the preferential creditors will receive 100 pence in the pound.

### **Unsecured Creditors**

- 3.7 At the date of liquidation, unsecured creditors were estimated to total £281,279. I have received claims totalling £343,117.78 to date. Claims are yet to be formally admitted for distribution purposes.

## **SHOES.CO.UK LTD - IN LIQUIDATION**

- 3.8 I still anticipate that there will be sufficient funds to pay a dividend to unsecured creditors, however the quantum depends upon the agreement of creditor claims.

### **4 Notice of Intended Dividend**

- 4.1 It is my intention to pay a first and final dividend to non-preferential creditors within the next two months and I have issued a Notice of Intended Dividend and a Statement of Claim form for those who have still to register their claim.
- 4.2 If you have not already submitted a Proof of Debt in the liquidation, can you please complete and return the enclosed form and return it to me before 15 June 2018, otherwise you will be excluded from any dividend payable after that date.
- 4.3 Alternatively, I should be obliged if you would inform me if you have no claim in the liquidation.

### **5 Joint Liquidators' Remuneration**

- 5.1 At the meeting of creditors on 23 March 2016, creditors approved that the sum of £12,500 plus VAT be authorised to be paid as an expense of the liquidation to CLB Coopers in respect of the preparation of the Statement of Affairs and the convening of the meetings of members and creditors. This Statement of Affairs fee was paid on 5 October 2016.
- 5.2 On 6 May 2016, creditors approved by postal resolution that the basis of the Joint Liquidators' remuneration be fixed as a combination of a fixed fee, as a percentage of the value of the assets realised and as a percentage of the funds distributed to the preferential and non-preferential creditors, as follows:
- A fixed fee of £10,000 to deal with the administration and statutory compliance tasks of the liquidation;
  - A fee of 20% of total asset realisations; and
  - A fee of 10% of funds distributed to the preferential and non-preferential creditors.

All fees charged will be subject to VAT at the appropriate rate.

- 5.3 Our fees information was provided to creditors when the basis of our remuneration was approved and was based on information available at that time. I chose to ask that creditors approve that remuneration be calculated largely on the basis of a percentage of realisations and distributions to align our remuneration with the outcome for creditors which I believed to be fair and reasonable in the circumstances. An alternative would have been to calculate fees on the basis of time costs. The valuable assets in this case related to claims against the directors and connected parties that were disputed; therefore, it would have been extremely difficult to estimate the time costs to resolve the dispute. There was a real risk that time costs could escalate and affect the outcome for creditors. This risk has been limited by the current fee calculation basis. The percentage values used reflect the nature of the assets, and balance the risks fairly between creditors and the office holders. As a comparison, our current time costs to date are £61,594 representing 329.70 hours at an average rate of £187.91 per hour.



## SHOES.CO.UK LTD - IN LIQUIDATION

- 5.4 The table below sets out the amounts available to be drawn as the Joint Liquidators' remuneration during the Period:

Description	Calculation	Remuneration agreed £	Invoiced In Period £	Invoiced In Prior Period £	Not yet paid £
£10,000.00 fixed fee	£10,000.00	10,000.00	3,997.00	6,003.00	0.00
20% of asset realisations	20% of £180,108.59	36,021.72	35,718.72	0.00	303.00
10 % of creditor distributions	10% of £0.00	0.00	0.00	0.00	0.00
<b>Total</b>		<b>46,021.72</b>	<b>39,715.72</b>	<b>6,003.00</b>	<b>303.00</b>

- 5.5 Total Joint Liquidators' Remuneration of £45,718.72 has been paid against total approved remuneration of £46,021.72.
- 5.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [clbcoopers.co.uk](http://clbcoopers.co.uk).
- 5.7 Attached as **Appendix B** is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

## 6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) 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 Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

## 7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final progress report.



**Diane Hill**  
Joint Liquidator

**Shoes.Co.Uk Ltd  
(In Liquidation)**

**Appendix A**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 23/03/2016 To 22/03/2017 (£)</b>	<b>From 23/03/2017 To 22/03/2018 (£)</b>	<b>Total (£)</b>
Uncalled Share Capital	75,000.00	69,765.89	0.00	69,765.89
Stock	11,250.00	18,900.76	12,541.88	31,442.64
Other Debtors		2,500.00	0.00	2,500.00
Rent Deposit	Uncertain	822.02	0.00	822.02
Websites and Database	Uncertain	0.00	2,300.00	2,300.00
Settlement Agreement		0.00	73,278.04	73,278.04
		<b>91,988.67</b>	<b>88,119.92</b>	<b>180,108.59</b>
<b>PAYMENTS</b>				
HSBC Bank Plc	(51,765.00)	28,819.65	0.00	28,819.65
Aldermore Invoice Finance Limited	(18,553.00)	20,362.32	0.00	20,362.32
Statement of Affairs Fee		12,500.00	0.00	12,500.00
Joint Liquidators' Remuneration		6,003.00	39,715.72	45,718.72
Joint Liquidators' Expenses		796.16	0.00	796.16
Agents/Valuers Fees and Expenses		9,771.77	2,915.59	12,687.36
Legal Fees		0.00	10,441.00	10,441.00
Bank Charges		46.00	0.00	46.00
		<b>78,298.90</b>	<b>53,072.31</b>	<b>131,371.21</b>
<b>Net Receipts/(Payments)</b>		<b>13,689.77</b>	<b>35,047.61</b>	<b>48,737.38</b>
<b>MADE UP AS FOLLOWS</b>				
VAT Receivable		1,950.82	10,614.47	12,565.29
Current Account		13,477.16	27,044.51	40,521.67
VAT Payable		(1,738.21)	(2,611.37)	(4,349.58)
		<b>13,689.77</b>	<b>35,047.61</b>	<b>48,737.38</b>

  
Diane Elizabeth Hill  
Joint Liquidator

## **Appendix B**

### **Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements**

#### **1. Work undertaken by the Joint Liquidators**

Under insolvency legislation the Joint Liquidators must comply with certain statutory compliance requirements which may not bring any direct financial benefit to the creditors of the Company. During the Period, we have undertaken the following tasks:

##### **Administration (including statutory compliance and reporting)**

- Notified the creditors of the Joint Liquidators' appointment and dealt with other associated appointment formalities including statutory advertising and filing relevant statutory notices at Companies House;
- Prepared and issued an annual progress report to members and creditors;
- Complied with statutory duties in respect of the Joint Liquidators' specific penalty bond;
- Created and updated case files on the firm's insolvency software;
- Redirected the Company's mail to the Joint Liquidators' office;
- Secured the Company's books and records;
- Completed and filed of the notice of the Company's insolvency to HMRC;
- Completed the initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA), including a review of the Company's books and records;
- Filed a statutory return to the Department for Business, Innovation and Skills under the CDDA;
- Completed periodic case progression reviews at the end of Month 1 and Month 6 of our appointment;
- Opened, maintained and managed the liquidation estate cashbook and bank account;
- Dealt with all post-appointment VAT compliance;
- Liaised with secured creditors, obtained charge documents and validated the security; and
- Dealt with former employees to provide support and assistance in lodging any claims they may have been entitled to make for unpaid wages, holiday pay and other statutory entitlements from the National Insurance Fund and the Company.

##### **Realisation of Assets**

Tasks undertaken by the Joint Liquidators in respect of realising the assets of the Company are fully explained in Section 2 of the main body of this report.

##### **Creditors**

- Logged and recorded creditor claims received on the firm's insolvency software;
- Answered creditor queries arising out of the Company's liquidation;
- Dealt with 16 retention of title claims received from creditors;
- Further investigated the unsecured creditor claim of Debenhams Plc; and
- Declared and paid distributions to HSBC and Aldermore under their fixed charge security

#### **2. Staff Allocation and the Use of Sub-Contractors**

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We are not proposing to utilise the services of any sub-contractors in this case.

### 3. Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
JPS Chartered Surveyors ("JPS")	Hourly rate, percentage of assets sold and disbursements
Bermans LLP ("Bermans")	Hourly rate and disbursements

Our choice 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.

### 4. Joint Liquidators' Expenses & Disbursements

The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost £
Agents' costs for JPS	4,350.50
Solicitors' costs for Bermans	4,550.00
Statutory advertising	380.00
Re-direction of the Company's mail	160.00
Specific penalty bond	312.00
<b>Total</b>	<b>9,752.50</b>

### 5. Current position of Joint Liquidators' Expenses

An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in the Period £	Paid in the Prior Period £	Incurred but not Paid in the Period £	Total anticipated cost £
Agents' costs – JPS	2,915.59	9771.77	0.00	12,687.36
Solicitors' costs - Bermans	10,441.00	0.00	0.00	10,441.00
Statutory advertising	289.00	289.00	0.00	365.00
Re-direction of the Company's mail	0.00	175.00	0.00	175.00
Specific penalty bond	0.00	312.00	0.00	312.00
Bank Charges	0.00	46.00	0.00	46.00
Travel (category 2)	0.00	20.16	0.00	20.16

The fees of JPS have exceeded the initial estimate as JPS are remunerated on a commission basis. As stock realisations have been higher than originally estimated, JPS's costs are higher.

The fees of Bermans have exceeded the initial estimate as Bermans have spent considerably more time in pursuing Nigel Carr for the unpaid share capital and overdrawn director's loan account than originally estimated.

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any

## **SHOES.CO.UK LTD - IN LIQUIDATION**

properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors.

On 6 May 2016, creditors approved by postal resolution that the Joint Liquidators' may draw Category 2 disbursements at their firms published rates. Travel costs of £20.16 were incurred and paid during the prior period.