

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

THURSDAY



\*AC1E6ZEA\*

A07

13/04/2023

#31

COMPANIES HOUSE

### 1 Company details

Company number 0 6 1 4 9 7 1 1

Company name in full Watkins International Limited

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

### 2 Liquidator's name

Full forename(s) Antony

Surname Denham

### 3 Liquidator's address

Building name/number DLP House

Street 46 Prescott Street

Post town Halifax

County/Region West Yorkshire

Postcode H X 1 2 Q W

Country England

### 4 Liquidator's name ①

Full forename(s) Sarah

Surname Long

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

### 5 Liquidator's address ②

Building name/number DLP House

Street 46 Prescott Street

Post town Halifax

County/Region West Yorkshire

Postcode H X 1 2 Q W

Country England

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

# LIQ03

## Notice of progress report in voluntary winding up

6

### Period of progress report

From date	d 1	d 7	m 0	m 2	y 2	y 0	y 2	y 2
To date	d 1	d 6	m 0	m 2	y 2	y 0	y 2	y 3

7

### Progress report

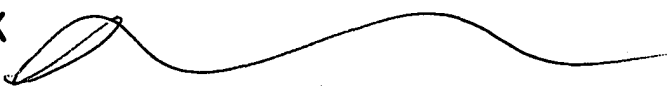
☒ The progress report is attached

8

### Sign and date

Liquidator's signature

Signature

X  X

Signature date

d 1	d 1	m 0	m 4	y 2	y 0	y 2	y 3
-----	-----	-----	-----	-----	-----	-----	-----

**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	Sharna Swaby									
Company name	DL Partnership (UK) Limited									
Address	DLP House									
46 Prescott Street										
Post town	Halifax									
County/Region	West Yorkshire									
Postcode	H	X	1		2	Q	W			
Country										
DX										
Telephone	01422 356093									

**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)

**Watkins International Limited t/a NAMS – In Liquidation (“the Company”)**  
**Joint Liquidators’ Annual Progress Report to Members and Creditors**  
**In Accordance with Section 104A of the Insolvency Act 1986**

**1 Introduction**

- 1.1 At a meeting of members held on 17 February 2022, a resolution was passed that the Company be wound-up and that we Sarah Long and Antony Denham of DL Partnership (UK) Limited (“DLP”), DLP House, 46 Prescott Street, Halifax, HX1 2QW be appointed as Joint Liquidators. Our appointment was subsequently confirmed by creditors later that day by Deemed Consent.
- 1.2 The Company’s business as noted at Companies House was “agents involved in the sale of a variety of goods” specialising in National Account Management to the retail sector, developing brands, new product concepts and own brand manufacturing capacity for clients across the UK’s major retailers. The Company’s former registered office and trading premises was situated at The Farmhouse, Burcroft Farm, Doncaster Road, Wakefield, WF4 1RS.
- 1.3 The Company is registered at Companies House under the number 06149711 and its current registered office is c/o DLP House, 46 Prescott Street, Halifax, HX1 2QW.
- 1.4 The key director and driving force behind the Company, Mr Laurence Watkins, unexpectedly passed away in January 2022. Following his death, Mr Watkin’s wife Sharon Watkins continued in office as director of the Company for the purpose of facilitating the winding up of the Company’s affairs. As a result, as at the date of our appointment, the Company’s records had only been completed up until 2 December 2021.
- 1.5 This is our first annual progress report on the conduct of the Liquidation in accordance with Section 104A of the Insolvency Act 1986.

**2 Receipts and Payments**

- 2.1 Please find enclosed at Appendix A, a copy of our receipts and payments account for the period covering 17 February 2022 to 16 February 2023.

**3 Asset Realisations**

- 3.1 As detailed in the director’s estimated statement of affairs, the Company’s assets consisted of cash at bank in the sum of £9,184, book debts with a book value and estimated to realise value of £14,325, a potentially overdrawn director’s loan account and a speculative right of action both of which had uncertain book values and estimated to realise values.

Cash at Bank

- 3.2 As at the date of Liquidation, the cash at bank was being held in the client account of DLP and upon our appointment as Joint Liquidators the funds totalling £9,184 were subsequently transferred into the Liquidation estate account.

Book Debts

- 3.3 The Company’s book debt ledger was made up of four outstanding accounts totalling £14,325. After sending initial letters pursuing payment of the outstanding invoices to all four debtors, it transpired that three of the accounts totalling £7,125 had paid in full prior to our appointment during December 2021 and January 2022. These payments have been verified following receipt of the Company’s bank statements from 2 December 2021 to account closure.

- 3.4 The final outstanding debtor totalling £7,200 has failed to respond to any of our correspondence and will now be forwarded to our solicitor for collection.

Right of Action

- 3.5 Prior to his death, the director Mr Watkins had sought legal advice on the options available to the Company following the termination of a contract by a customer. As the Company has insufficient funds available to embark on any form of substantive legal action, we are still investigating the merits and possibilities for pursuing this matter further.

Directors' Loan Account ("DLA")

- 3.6 According to the Company's filed accounts to 28 February 2021 a DLA was overdrawn in the sum of £60,919. Following receipt of the Company's bank statements we have since updated the Company's records to cessation. We have initially given the family some time following the passing of Mr Watkins but are now in the process of seeking agreement of the remaining outstanding amount.

General Receipts

- 3.7 The only other income received during this first reporting period has been gross bank interest of £17. At all material times the Liquidation funds have been held on an interest-bearing designated estate account.

- 3.8 All VAT incurred during the Liquidation has and will be recoverable.

**4 Payments**

- 4.1 The sum of £160 has been paid to AUA Insolvency Risk Services in respect of the Statutory Insurance Bond which the Joint Liquidators are required to obtain. The premium due varies with the expected realisable assets in the estate. These premiums are set by the Joint Liquidators' underwriter. The sum payable is for estate realisations in the bracket £10,001 - £25,000. Should estate realisations exceed this amount then a further premium would become payable.
- 4.2 Corporation tax of £3 has been paid to HM Revenue & Customs ("HMRC") in respect of the tax incurred on the gross bank interest received during this reporting period.

**5 Joint Liquidators' Remuneration**

- 5.1 We have not previously sought to agree the basis and the amount of our remuneration for acting as Joint Liquidators or the basis on which certain of our disbursements (Category 2 disbursements) as Joint Liquidators should be paid. We took the decision to defer the agreement of our fees in order that we could provide creditors with more substantive information as to the potential final outcome after we had assessed the position of the director's loan account, completed the collection of the book debts and investigated the potential right of action against the former customer. An estimated outcome statement for the Liquidation incorporating our Statutory Fees Estimate and Statement of Expenses will be forwarded to creditors in due course.
- 5.2 We have incurred time costs of £2,500 pre-appointment in respect of assisting the director in convening the meeting of members and decision procedure of creditors and preparing the Company's Statement of Affairs along with ancillary documentation forwarded to creditors on 9 February 2022. This represents 10 hours of time at an average hourly rate of £250. No amount has as yet been re-charged to the Liquidation estate.

- 5.3 Our firm's actual time costs in relation to the administration of the Liquidation for the period 17 February 2022 to 16 February 2023 total £3,900. No amount has been recharged to the estate to date. Detailed below is a summary of the total time charged of £3,900 by each member of our staff.

Hours					Time Cost £	Average hourly rate £
Classification of work function	Director	Associate	Cashier	Total Hours		
Administration and planning	1.70	1.00	0.90	3.60	760.00	211.11
Investigations	5.00	1.00	-	6.00	1,675.00	279.17
Realisation of Assets	2.30	1.50	-	3.80	990.00	260.53
Creditors	1.70	0.20	-	1.90	475.00	250.00
Total Hours/ Fees claimed to 16 February 2023	<b>10.70</b>	<b>3.70</b>	<b>0.90</b>	<b>15.30</b>	<b>3,900.00</b>	<b>254.90</b>

- 5.4 To reduce the level of professional costs incurred, some of the work has been conducted by staff under our supervision. The hourly charge-out rates for each level of our staff applicable for the period of the Liquidation are detailed at Appendix B.
- 5.5 The work undertaken by this firm is briefly detailed below and overleaf:

#### Case Planning and Administration

As Joint Liquidators we are obliged by Statute, the Insolvency Code of Ethics and regulatory requirements (as well as commercial considerations) to carry out numerous statutory tasks such as advertising and filing as well as to adequately plan and administer the case throughout its conduct until we are released. The case management work performed under this heading primarily consists of strategic planning and case progression matters, periodic file reviews, returns and reports, record keeping (including the liquidation cash book) and other case management activities. All of this work is a statutory or regulatory requirement.

#### Investigations - Preliminary Investigation and Statutory Report on the Directors' Conduct

Every Liquidator is obliged to conduct a minimum, preliminary investigation into the conduct of the Company's Affairs prior to his or her appointment. The nature and extent of the investigatory work required is set out in Statement of Insolvency Practice 2 ("SIP2"). This is a statutory requirement. A copy of SIP2 can be found on the following website [www.r3.org.uk/technical-library/england-wales/sips/](http://www.r3.org.uk/technical-library/england-wales/sips/)

They are also required to send a report on the conduct of each person who has been a director of the Company in the three year period prior to the Liquidation to the Department for Business, Energy and Industrial Strategy ("BEIS"). This work is a further statutory requirement. Details of the work required here are set out in Guidance Notes which can be found on the following BEIS website: [www.gov.uk/government/publications/company-directors-disqualification-act-1986-guidance-notes-completion-of-statutory-reports-and-returns](http://www.gov.uk/government/publications/company-directors-disqualification-act-1986-guidance-notes-completion-of-statutory-reports-and-returns)

These are two quite separate mandatory activities; however, there is a degree of overlap in terms of the work that needs to be done. Our preliminary investigation is complete and we can confirm that our report on the Directors' conduct was submitted on 10 May 2022.

### Realisation of Assets

This specifically relates to the matters dealt with at Section 3 of this report.

### Creditors

Throughout the duration of the Liquidation, we have continued to report to the creditors of the Company, either on an individual basis (dealing with queries, proof of debt forms, paperwork, retention of title claims) or collectively (statutory reporting). To date, we have issued this annual statutory report as to the position of the Liquidation as at the anniversary. Future reports will be required at each anniversary and at the conclusion of the Liquidation.

### Additional Reporting

As Joint Liquidators, we are permitted to seek fee approval, where we consider it appropriate, in stages or at 'milestones' in the conduct of the case. We are also more generally permitted to revert to creditors for further fee approval should known matters develop in a manner that was not initially foreseen, or should additional matters emerge.

- 5.6 A creditors' guide to Liquidators' fees can be found at the guide to fees section of our website at [www.dlpartnership.co.uk](http://www.dlpartnership.co.uk) along with a statement of creditors' rights in this regard which details the creditors' right to request further information and/or to challenge the remuneration and expenses of the Joint Liquidator.

## **6 Joint Liquidators' Disbursements**

- 6.1 Disbursements of £207 have been incurred during the period 17 February 2022 to 16 February 2023 none of which have been recharged to the estate. A breakdown of disbursements is included below:

<b>Category 1 Disbursements</b>	<b>Actual (£) 16 February 2023</b>
Statutory Advertising	207.00
Total Category 1	207.00
<b>Category 2 Disbursements</b>	
None	0.00
Total Category 2	0.00
<b>Total Disbursements</b>	<b>207.00</b>

- 6.2 Statutory Advertising

We are obliged by Statute to advertise certain events arising during the Liquidation in the London Gazette. Advertising charges are set by them. In this case, the winding up of the Company and the appointment of the Joint Liquidators have both been advertised.

### Category 2 Disbursements

- 6.3 Details of the rates at which Category 2 charges are made are shown at Appendix B although none have been incurred to date. A projection of future disbursements expected to be incurred will be detailed in the forthcoming Statement of Expenses for specific creditor approval.

## 7 Distributions to Creditors

### Preferential Creditors

- 7.1 There are no known preferential creditors in this matter. Preferential creditors are categorised as employee wage arrears to a maximum of £800 per employee, all holiday pay and certain pension benefits.

### Secondary Preferential Creditors

- 7.2 Certain specified debts of HMRC are classified as secondary preferential creditors being VAT, PAYE, employee National Insurance contributions, student loan repayments and Construction Industry Scheme deductions. The secondary preferential creditors detailed in the estimated statement of affairs in relation to amounts owed to HMRC for VAT and PAYE totalled £2,024 and £244 respectively. To date, we have not received any claim from HMRC regarding the Company.

### Secured Creditors

- 7.3 There are no debentures registered against the Company and as such, there is no known secured creditor in this case. The prescribed part provisions of Section 176A of the Insolvency Act 1986 will not therefore be applicable.

### Unsecured Creditors

- 7.4 We have to date received claims from the Company's unsecured creditors of £56,408 compared to the estimated statement of affairs figure of £74,204. A summary of creditors' claims is detailed in the table below:

<b>Nature of Creditor</b>	<b>Statement of Affairs (£)</b>	<b>Claims Received (£)</b>
Barclays Bank – BBL	50,000	47,854
Barclaycard – Credit Card	-	8,554
Trade & Expense Creditors	4,204	-
HMRC – Corporation Tax	20,000	-
<b>Total</b>	<b>74,204</b>	<b>56,408</b>

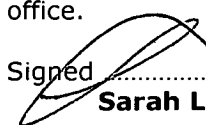
- 7.5 Based on the current level of realisations, there are insufficient funds with which to pay a dividend to any class of creditor in this case. However, until our investigations are complete and asset realisations have been finalised, we cannot be certain of the outcome.

## 8 Report on the Directors

- 8.1 We have carried out our initial investigation into the affairs of the Company in accordance with Statement of Insolvency Practice 2 and have submitted our final report on the conduct of the directors prior to our appointment, to BEIS. As you can appreciate the content of this report is a confidential document between BEIS and our firm. We can however state that our investigations into the Company's affairs have not revealed any potential recoveries that would be of benefit to creditors other than the issues noted at Section 3.

## 9 General

- 9.1 The only outstanding matters in this case are; the realisation of the Company's final debtor account, the completion of our investigations into the right of action and director's loan account and the agreement and payment of the Joint Liquidators' fees and expenses. Should you require any additional information regarding the contents of this report then please do not hesitate to contact this office.

Signed  .....  
**Sarah Long (9615) – Joint Liquidator**

Date: 12-April-2023



**Watkins International Limited- in Liquidation**  
**APPENDIX A - Joint Liquidators' Receipts and Payments Account**

<u>Estimated to Realise as per Statement of Affairs</u>		<u>Period 17.02.2022 to 16.02.2023</u>	<u>Cumulative Total</u>
		£	£
<b>Receipts</b>			
14,325.00	Book Debts	0.00	0.00
Uncertain	Right of Action	0.00	0.00
9,184.00	Cash at Bank	9,183.51	9,183.51
Uncertain	Director's Loan Account	0.00	0.00
	Gross Bank Interest	17.30	17.30
<u>23,509.00</u>	<b>Total</b>	<u><b>9,200.81</b></u>	<u><b>9,200.81</b></u>
<b>Payments</b>			
	Statutory Insurance Bond	160.00	160.00
	Corporation Tax	3.23	3.23
	<b>Total</b>	<u><b>163.23</b></u>	<u><b>163.23</b></u>
	<b>Balance</b>	<u><b>9,037.58</b></u>	<u><b>9,037.58</b></u>
<b>Made Up as Follows</b>			
	Output VAT		0.00
	Cash at Bank		9,037.58
	Input VAT		0.00
			<u><b>9,037.58</b></u>

## **APPENDIX B - DL PARTNERSHIP PUBLISHED TARIFF OF CHARGE-OUT RATES & DISBURSEMENTS**

### **1. Basis of the Joint Liquidators' Remuneration**

The hourly charge-out rates for each level of our staff applicable for the period from 17 February 2022 are detailed below:

<b>Grade</b>	<b>Rate per hour</b>
	<b>£</b>
Directors	250
Associates	150
Cashier	75

The hourly charge-out rates for each level of our staff applicable for the period from 1 March 2022 are detailed below:

<b>Grade</b>	<b>Rate per hour</b>
	<b>£</b>
Directors	300
Associates	200
Cashier	100

The level of staff has been selected based upon the nature and complexity of the assignment. All staff involved in the assignment have been charged directly to the case in units of six minutes.

### **2. Joint Liquidators' Disbursements**

Category 1 disbursements relate to external services provided which are directly attributable to the case. Category 2 disbursements relate to shared or allocated costs which generally relate to internal charges made for items such as postage, faxes and internal room hire.

Details of the rates at which these charges are made are shown below. In our opinion the charges are in line with the cost of external provision of these charges.

<b>Disbursement</b>	<b>Charge</b>
Photocopying (circulars only, per page)	15p
Faxes (incoming & outgoing, per page)	25p
Internal Room Hire (per hour, minimum charge £25)	£25.00
Mileage (per mile)	40p - 50p

In accordance with best practice guidelines as set out in Statement of Insolvency Practice 9, creditors' approval is required for Category 2 disbursements to be charged as an expense of the Liquidation.