

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 6 9 6 4 4 4 0

Company name in full Julian's Home Furnishings Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Thomas

Surname Grummitt

3 Liquidator's address

Building name/number Cumberland House

Street 35 Park Row

Post town Nottingham

County/Region

Postcode N G 1 6 E E

Country

4 Liquidator's name ①

Full forename(s) Andrew

Surname Smith

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Cumberland House

Street 35 Park Row

Post town Nottingham

County/Region

Postcode N G 1 6 E E

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6 Period of progress report

From date	^d <div>3</div>	^d <div>0</div>	^m <div>1</div>	^m <div>1</div>	^y <div>2</div>	^y <div>0</div>	^y <div>2</div>	^y <div>2</div>
To date	^d <div>2</div>	^d <div>9</div>	^m <div>1</div>	^m <div>1</div>	^y <div>2</div>	^y <div>0</div>	^y <div>2</div>	^y <div>3</div>

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d <div>2</div>	^d <div>9</div>	^m <div>0</div>	^m <div>1</div>	^y <div>2</div>	^y <div>0</div>	^y <div>2</div>	^y <div>4</div>
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**Presenter information**

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

Contact name **Charlotte Sharp**

Company name **Bridgewood Financial Solutions**

Ltd

Address **Cumberland House**

35 Park Row

Post town **Nottingham**

County/Region

Postcode

N	G	1		6	E	E
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Country

DX

Telephone **0115 871 2940**

**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

In the matter of

**Julian's Home Furnishings Limited ("the Company")
In Creditors' Voluntary Liquidation**

Joint Liquidators' Progress Report

Date 29 January 2024

**Thomas Grummitt and Andrew Smith
Joint Liquidators**

**Bridgewood Financial Solutions Limited
Cumberland House
35 Park Row
Nottingham
NG1 6EE
Telephone: 0115 871 2934
Email: charlotte.sharp@bridgewood.co.uk**

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The following abbreviations may be used in this report:

Bridgewood	Bridgewood Financial Solutions Limited
The Company	Julian's Home Furnishings Limited
The Liquidators	Thomas Grummitt and Andrew Smith
The Period	The reporting period 30 November 2022 to 29 November 2023
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying Floating Charge Holder
HMRC	HM Revenue and Customs
JP	John Pye & Sons
IM	Irwin Mitchell LLP

1. Purpose of Report

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the registrar of companies, with information relating to the progress of the Liquidation in the period from 30 November 2022 to 29 November 2023, known as "the Period".

This report has been prepared solely to comply with the requirements of the relevant legislation. It 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 significant change.

Neither the Joint Liquidators nor Bridgewood, 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.

2. Progress of the Liquidation in the Previous Twelve Months

There is certain routine administrative work we are required to undertake in connection with the Liquidation which provides no financial benefit to creditors. A description of this work has been previously provided.

In addition, during the Period, we have dealt with the realisation of Company assets, creditor claims and have investigated the failure of the Company and conduct of the directors as set out below.

Realisation of Assets

Machinery and Equipment

The Company's remaining machinery and equipment was professionally valued by JP and estimated to realise £550. All machinery and equipment were sold following appointment for total consideration of £1,680.00.

Fixtures and Fittings

The Company's remaining fixtures and fittings was professionally valued by JP and estimated to realise £1,800. All fixtures and fittings were sold following appointment for total consideration of £2,321.00.

Book Debts

The Company's outstanding sales ledger comprised of 1 account with an outstanding balance totalling £8,252.49. The outstanding debt was realised in full.

Prepayments

The Company accounts up to 31 August 2021 show prepayments of £874. This relates to a quarterly rent payment for a period which has now ended and therefore there have been no realisations in this matter.

Cash at Bank and in Hand

The Company transferred funds of £26,266.86 to Bridgewood prior to Liquidation, in respect of cash from the Company bank as can be seen on the enclosed receipts and payments account.

Stock

Prior to the Liquidation, the supplier of all the Company's stock was claiming retention of title (ROT) over all stock aside from a small quantity which was collected by JP. Estimated realisations were therefore uncertain. Following appointment, correspondence with the supplier to establish the merits of this claim concluded that the ROT claim was valid in respect of the vast majority of items over which it was claimed. A small quantity of stock may not have been subject to ROT, but JP advised that the costs of seeking to segregate that stock from all ROT stock by reference to serial numbers and then seeking to realise only that stock, would have outweighed the benefit, so the supplier was allowed to collect all stock over which they claimed ROT.

The stock not subject to the ROT, collected pre-appointment, was sold by JP and total realisations were £1,180.00.

Bank Interest

Interest totalling £74.72 has been realised in the Period.

No further assets have been realised since the end of the Period.

Investigations

In accordance with my statutory obligations, I have filed the appropriate documentation with the Department for Business, Energy and Industrial Strategy in relation to the conduct of the Directors.

I 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. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 14 months prior to the Company ceasing to trade from the Company's bankers and compared the information in the Company's last set of accounts with that contained in the statement of affairs, lodged in the Liquidation and made enquiries about the reasons for the changes.

I can advise you that, following my initial assessment, further investigations were undertaken in relation to dividend payments made to the Company's shareholders. I would confirm that these actions have been concluded and it is deemed illegal dividends were paid to a total of £49,417. The shareholders are being pursued for repayment of these dividends and solicitors have been instructed outside of the Period.

3. Details of what Remains to be Done and Matters Preventing Closure

Assets Remaining to be Realised

There are no assets remaining to be realised.

Other Outstanding Matters

Obtain repayment in respect of illegal dividends.

Pay a first and final dividend to creditors.

4. Liabilities and Dividends

Dividend prospects and projected returns to creditors, where known, are below, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

The agreement of creditors' claims by the Joint Liquidators is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves.

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company had no charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case, there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

There is therefore no requirement to estimate the amount of the prescribed part of the assets under Section 176A of the Insolvency Act 1986.

Preferential Creditors

There are no preferential creditors in this matter.

Secondary Preferential Creditors

The statement of affairs anticipated £672.00 in secondary preferential creditors. Claims totaling £18,377.98 have been received in the Period.

A dividend will be paid in due course but the timing and quantum at present, is unknown.

Non-Preferential Unsecured Creditors

The statement of affairs included 20 non-preferential, unsecured creditors with an estimated total liability of £191,065.47. I have received claims from 6 creditors, totalling £356,672.33. I have not received claims from 14 creditors with original estimated claims in the statement of affairs of £54,734.76.

Claims are higher than anticipated due to a large unexpected claim from the Company's landlord following the lease being disclaimed.

A dividend will be paid in due course but the timing and quantum at present, is unknown.

5. Receipts and Payments Summary

My receipts & payments account for the period from 30 November 2022 to 29 November 2023 is attached at Appendix B.

VAT Basis

Receipts and payments are shown net of VAT, with any amount due to or from HMRC shown separately.

The balance of funds is held in an interest bearing, estate bank account.

6. Pre Appointment Remuneration

The creditors authorised the payment of a fee of £4,000 for my assistance with preparing the Statement of Affairs and arranging the decision procedure, for creditors to appoint a Liquidator. £400 was to be paid to Clipper Accounting Limited for their assistance with in connection with the Statement of Affairs and £1,000 to JP for their assistance with the valuation of Company assets.

The fee for preparing the Statement of Affairs and arranging the decision procedure for creditors to appoint Liquidators was paid prior to Liquidation. Pre-appointment expenses were paid post-appointment as shown in the enclosed receipts and payments account. These are £400 to Clipper Accounting Limited, £1,000 to JP, £86.00 for advertising and £34.32 for postage.

7. Joint Liquidators' Remuneration

My remuneration was approved on a time cost basis based on a fees estimate of £18,119.50. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate, without first seeking approval from the creditors.

My time costs for the Period amount to £13,935.75, representing 61.75 of hours work, at an average charge out rate of £225.68 per hour. The actual average charge out rate incurred compares with the estimated average charge out rate of £209.47 in my fees estimate. A detailed schedule of my time costs incurred in the Period, compared with my summarised original fees estimate, is attached as Appendix D.

I have drawn £13,173.50 in the Period. This is in line with the maximum fee cap that I can take of £18,119.50.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.

8. Joint Liquidators' Expenses

Expenses Charged to the Case as Showing on the Receipts and Payments Account

Category 1 Expenses	Original estimate £	Amount incurred in the Period £	Amount paid in the Period £
Bond	90.00	90.00	90.00
Statutory Advertising	172.00	172.00	172.00
Agents' Fees – John Pye	400.00	2,938.15	2,938.15
Total	662.00	3,200.15	3,200.15
Category 2 Expenses			
Postage	30.00	17.16	17.16
Storage	20.00	NIL	NIL
Total	50.00	17.16	17.16

Please see Appendix C for our charge out rates and charging policy.

The following agents or professional advisors have been instructed during the Liquidation.

Professional Advisor	Nature of Work	Basis of Fees
John Pyes	Assisting in valuing and selling Company assets	Commission of 15% and Fees

Payments made to these advisors versus any original estimate are included in the above tables.

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 also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

As you can see from the information provided in this report, the expenses I have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was authorised by the creditors. I have exceeded the expenses estimate due to the amount of work involved in selling Company assets being greater than anticipated, largely due to the need to deal with the ROT claim.

9. Creditors' Right to Information and Ability to Challenge Remuneration and Expenses

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

10. Further Information

To comply with the Provision of Services Regulations, some general information about the Company can be found at Appendix A.

The Liquidation will remain open until repayment in respect of the illegal dividends has been made and a dividend has been paid to creditors. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.

Data Protection

In order to comply with data protection legislation, please be advised that, our privacy notice in accordance with the General Data Protection Regulation ('GDPR') can be found at <https://www.bridgewood.co.uk/insolvency-practitioner-privacy-policy.html>

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available online, they should contact Charlotte Sharp on 0115 871 2934, or by email at charlotte.sharp@bridgewood.co.uk.



Thomas Grummitt
Joint Liquidator

Appendix A

Statutory, Dividend and Other Information

Company Name	Julian's Home Furnishings Limited
Trading Name	N/A
Company Number	06964440
Trading Address	45 Evelyn Street, Beeston, Nottingham, NG9 2EU
Registered Office	Cumberland House, 35 Park Row, Nottingham, NG1 6EE
Former Registered Office	45 Evelyn Street, Beeston, Nottingham, NG9 2EU
Principal Trading Activities	Online Retail
Joint Liquidators	Thomas Grummitt and Andrew Smith
IP Numbers	25976 and 19210
Date of Appointment	30 November 2022
Correspondence Contact Details	Charlotte Sharp, Tel: 0115 871 2934 charlotte.sharp@bridgewood.co.uk Bridgewood Financial Solutions Limited, Cumberland House, 35 Park Row, Nottingham, NG1 6EE

The Joint Liquidators act jointly and severally.

No dividend has yet been paid to any class of creditor.

Appendix B

Receipts and Payments Account

To 29/11/2023

S of A £		£	£
	ASSET REALISATIONS		
550.00	Machinery & Equipment	1,680.00	
1,800.00	Fixtures & Fittings	2,321.00	
Uncertain	Stock	1,180.00	
8,252.00	Book Debts	8,252.49	
NIL	Prepayments	NIL	
26,266.86	Cash at Bank and in Hand	21,466.86	
	Bank Interest Gross	<u>74.72</u>	
			34,975.07
	COST OF REALISATIONS		
	Specific Bond	90.00	
	SOA Assistance Fee	400.00	
	Office Holders' Fees	13,173.50	
	Pre Appointment Advertising	86.00	
	Pre Appointment Postage	34.32	
	Agent's Fees & Disbursements - John	3,938.15	
	Post Appointment Advertising	172.00	
	Post Appointment Postage	<u>17.16</u>	
			(17,911.13)
	SECONDARY PREFERENTIAL CREDITORS		
(1.00)	HMRC - VAT	NIL	
(671.00)	HMRC - PAYE	<u>NIL</u>	
			NIL
	UNSECURED CREDITORS		
(100,364.89)	Trade & Expense Creditors	NIL	
(53,430.58)	Employees (estimated)	NIL	
(604.00)	HMRC - PAYE & NIC	NIL	
(36,666.00)	Banks/Institutions	<u>NIL</u>	
			NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	<u>NIL</u>	
			NIL
(154,870.61)			<u>17,063.94</u>
	REPRESENTED BY		
	Vat Receivable		298.50
	Bank 1 Current		16,765.44
			<u>17,063.94</u>

Appendix C

Bridgewood Financial Solutions Limited Charge Out Rates and Expenses Policy

In accordance with the Statement of Insolvency Practice regulating the payment of fees and expenses to insolvency office holders and their associates, we are required to disclose to you our policy in relation to certain expenses paid from insolvent estates during our administration of those estates, and the charge out rates for the various grades of staff who may be involved in our administration of those estates where our fees have been agreed on a time-cost basis.

Hourly Charge Out Rates

Staff Grade	Rate (£) From 1 February 2022	Rate (£) From 1 February 2023	Rate (£) From 1 January 2024
Partner/ Insolvency Practitioner	350	395	450
Manager	250	275	325
Senior Administrator	195	225	275
Administrator	145	175	225
Secretarial/Cashier	125	140	175

All staff are allocated an hourly charge out rate which is reviewed from time to time. The rates are applied consistently across all insolvency appointments and presented for approval of creditors or the creditors' committee as appropriate.

Time spent on a case is recorded directly using a time recording system. This is allocated in units of no more than 6 minutes. Time billed is subject to Value Added Tax ("VAT") at the applicable rate, where appropriate.

Work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience required to perform it.

Expenses (Including Disbursements)

Statement of Insolvency Practice 9 defines 'expenses' as all payments from an insolvent estate which are not office holder's fees or distributions to creditors and/or members.

Expenses do not include overheads of the officeholder's firm, as they are covered by office holder's fees. Expenses must be directly attributable to the estate from which they are paid.

Expenses are subject to VAT at the applicable rate, where appropriate.

'Expenses' include disbursements, which are payments made by an office holder or their firm and then reimbursed to the office holder or their firm from estate funds. Payments are typically made by an office holder or their firm, rather than directly from an estate, because there are insufficient funds in an estate at the time the payment becomes due, or for reasons of practicality or convenience.

Statement of Insolvency Practice 9 divides expenses into two categories.

Category 1 expenses: These are payments to persons providing a service to which an expense relates, who are not an associate of the office holder. Category 1 expenses can be paid without prior approval from those responsible for approving office holder's fees.

Category 2 expenses: These are payments made from an estate to the office holder or an associate (including their firm), or payments made related to costs which are shared with other estates and which can be allocated on a reasonable and proper basis to a specific estate. Category 2 expenses require approval from those responsible for approving office holder's remuneration whether or not they are paid directly from the estate or as a disbursement.

When seeking approval of category 2 expenses, an office holder should explain for each expense the basis on which the expense is being charged to the estate.

Our policy in relation to category 2 expenses and the basis on which we will charge these expenses to an estate, with the approval of the relevant body, is as follows. If you are a party responsible for approving office holder's fees and category two expenses, by agreeing that we can pay category two expenses, you are agreeing with the basis of charge set out below.

Storage: Each month, or sometimes less frequently, our external storage provider, who is not an associate of the officeholder or of this firm, provides an invoice for all boxes of records stored by them pertaining to all Bridgewood matters. The total cost is divided by the total number of boxes in storage to get a price per box and a charge is then applied to a specific insolvent estate according to the number of boxes in storage which relate to that particular estate

Postage: All post is sent via Royal Mail. We use a pre-paid franking machine to frank-mark each item of mail with the class of post being used, the price of the item and the date of postage. When we frank-mark each item of mail, we record the expense incurred per item and allocate that expense to the estate to which the item of mail relates

Mileage: 45 pence per mile travelled by car

Appendix D

Time Cost Analysis and Summarised Original Fees Estimate

Joint Liquidators’ time cost analysis for the Period from 30 November 2022 to 29 November 2023

From: 30/11/2022 To: 29/11/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
							Rate (£)		
Administration & Planning	3.70	0.00	19.55	10.70	33.95	6,902.25	203.31	33.95	6,902.25
Creditors	1.70	0.00	9.60	0.00	11.30	2,588.50	229.07	11.30	2,588.50
Investigations	3.10	0.00	7.60	0.00	10.70	2,918.00	272.71	10.70	2,918.00
Realisation of Assets	1.80	0.00	4.00	0.00	5.80	1,527.00	263.28	5.80	1,527.00
Total Hours / Costs	10.30	0.00	40.75	10.70	61.75	13,935.75	225.68	61.75	13,935.75

FEES ESTIMATE SUMMARY

Julia Home Furnishings Limited

The hourly charge out rates that will be used on this case are:	£
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Partner/Appointment Taker	350.00
Manager	250.00
Assistant Manager	220.00
Senior Administrator	195.00
Case Administrator	145.00
Cashier	125.00

The expenses that will be incurred on this case are:	£
--	---

Statutory Advertising	172.00
Bond	90.00
Postage	30.00
Storage	20.00
Agents Fees	400.00
Total:	712.00

ADMINISTRATION AND PLANNING

These tasks are of no financial benefit to creditors but are required to be completed by statute.

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work
		£
Total:	38.70	£8,434.50
Average Hourly Charge Out Rate:		£217.95

INVESTIGATIONS

These tasks are of financial benefit to creditors, subject to costs.

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work
		£
Total:	17.10	£3,500.50
Average Hourly Charge Out Rate:		£204.71

REALISATION OF ASSETS

These tasks are of financial benefit to creditors but are subject to costs.

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work
		£
Total:	12.10	£2,412.50
Average Hourly Charge Out Rate:		£199.38

CREDITORS

These tasks are of no financial benefit to creditors but are required to be completed by statute.

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work
		£
Total:	18.60	£3,772.00
Average Hourly Charge Out Rate:		£202.80

Please note the following:

A blended charge out rate has been used.

GRAND TOTAL FOR ALL CATEGORIES OF WORK	86.50	£18,119.50
Average Hourly Charge Out Rate:		£209.47