

WU07

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



Companies House

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

1 Company details

Company number 0 7 8 6 4 9 9 4

Company name in full Gum Removers Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Lloyd Edward

Surname Hinton

3 Liquidator's address

Building name/number Allan House

Street 10 John Princes Street

Post town London

County/Region

Postcode W 1 G 0 A H

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

WU07

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

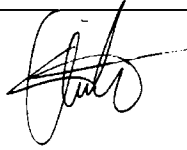
6 Period of progress report

| | | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
| From date | ^d 0 | ^d 3 | ^m 1 | ^m 2 | ^y 2 | ^y 0 | ^y 1 | ^y 9 | |
| To date | ^d 0 | ^d 2 | ^m 1 | ^m 2 | ^y 2 | ^y 0 | ^y 2 | ^y 0 | |

7 Progress report

| | |
|---|--|
| <input checked="" type="checkbox"/> The progress report is attached | |
|---|--|

8 Sign and date

| | | | | | | | | | |
|------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
| Liquidator's signature | Signature X  | X | | | | | | | |
| Signature date | ^d 2 | ^d 5 | ^m 0 | ^m 1 | ^y 2 | ^y 0 | ^y 2 | ^y 1 | |

**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 **Sabrina Frappaolo**

Company name **Insolve Plus Ltd**

Address **Allan House**

10 John Princes Street

Post town **London**

County/Region

Postcode **W 1 G 0 A H**

Country

DX

Telephone **020 7495 2348**

**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

Gum Removers Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

| Statement of Affairs £ | From 03/12/2019 To 02/12/2020 £ | From 03/12/2018 To 02/12/2020 £ |
|---|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS | | |
| Book Debts | 3,143.68 | 5,276.16 |
| Refund of Enterprise Guarantee Loan Fee | NIL | 27.14 |
| | <u>3,143.68</u> | <u>5,303.30</u> |
| COST OF REALISATIONS | | |
| O.R. Debit Balance | NIL | 9,400.00 |
| Sec of State Fees | 88.00 | 176.00 |
| | <u>(88.00)</u> | <u>(9,576.00)</u> |
| | <u>3,055.68</u> | <u>(4,272.70)</u> |
| REPRESENTED BY | | |
| ISA IB | | (4,272.70) |
| | | <u>(4,272.70)</u> |

Private and Confidential

To members and creditors

29 January 2021

Our ref SF/G055H/3.1

Dear Sirs

**Gum Removers Limited (“the Company”) - In Compulsory Liquidation
In the High Court of Justice Number 003722 of 2018**

This is my report to members and creditors following the second anniversary of my appointment as Liquidator.

In the absence of a Liquidation Committee it falls to the creditors to fix the basis of my fees.

As you will be aware, in my previous report I requested a fee resolution from the creditors.

Unfortunately, the notice detailing the resolutions sought was inconsistent with the Voting Form that was included.

Creditors voted in favour of the fee resolution but on the incorrect Voting Form. I am therefore enclosing an amended version in order for the creditors to vote again on the correct resolutions. Further details are contained in my report.

I am seeking a decision by correspondence from the creditors. If you wish to vote on the decision, you must complete and return the enclosed voting form to me by no later than 23.59 on 19 February 2021, the decision date. If you have not already submitted proof of your debt, please complete the enclosed form and return it to me, together with the relevant supporting documentation. Your vote on the decisions will not count unless you have lodged proof of your debt by no later than 23.59 on 19 February 2021.

You are also invited to determine whether to form a Liquidation Committee, and a notice of invitation to form a Liquidation Committee and further instructions are enclosed. To enable you to make an informed decision as to whether you wish to either seek to form a Committee, or to nominate yourself to serve on a Committee, further information about of the role of the Committee and what might be expected from its members has been prepared by R3 and can be found is available at the link <http://www.insolveplus.com/services/creditors-guides/>.

The following documents are enclosed with this report:

- Notice of invitation to form a Liquidation Committee;
- Notice of decisions for which approval is sought;
- Voting form;
- Proof of debt form; and
- Insolve Plus Insolvency Assignment Charging and Disbursement Recovery Policy, dated 1 June 2019.

Please note that I must receive at least one vote by the decision date or the decision will not be made. I would therefore urge you to respond promptly.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be supported by a proof of debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

If you have any queries regarding the meeting, please contact Sabrina Frappaolo by email at sabrinafrappaolo@insolveplus.com, or by phone on 020 7495 2348.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Lloyd Hinton', written in a cursive style.

Lloyd Hinton FIPA
Liquidator

Enc.

Private and Confidential

To members and creditors

29 January 2021

Our ref SF/G055H/2.2

Dear Sirs

**Gum Removers Limited ("the Company") - In Compulsory Liquidation
In the High Court of Justice Number 003722 of 2018**

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS

For the period ending 2 December 2020

1. Executive Summary

My duties and functions as Liquidator are the realisation of the Company's assets, the agreement of the claims of creditors and the eventual distribution of the Company's funds between the creditors in accordance with their legal entitlements. This is my annual report to creditors following the second anniversary of my appointment.

2. Statutory Information

| | |
|---------------------------|--|
| Company name: | Gum Removers Limited |
| Company number: | 07864994 |
| Trading address: | Lysses Court, Fareham, Hampshire, PO16 7BE |
| Registered office: | 4th Floor Allan House, 10 John Princes Street, London, W1G 0AH |
| Former registered office: | 4 Spur Road, Cosham, Portsmouth, Hampshire, PO6 3EB |

| | |
|-----------------------------|--|
| Principal trading activity: | Production of chewing gum removal machines |
| Liquidator's name | Lloyd Edward Hinton |
| Liquidator's address | Allan House, 10 John Princes Street, London, W1G 0AH |
| Date of appointment | 3 December 2018 |
| Court name and reference | High Court of Justice 003722 of 2018 |

As the Company had its only place of business at premises in the UK, the EC regulations apply, these proceedings are Main Proceedings as defined in Article 3 of the EC Regulation.

3. Liquidator's actions for the period 3 December 2019 to 2 December 2020

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors.

Following the first anniversary of my appointment, I issued my annual progress report, along with my fee resolution, to all known creditors on 28 January 2020.

The fee report was not consistent with the resolutions included on the notice of decision by correspondence and therefore, my fee resolution was invalid. I will, therefore, be seeking a resolution for my fees in this report.

As previously reported, a patent was registered for the gum removal machine, albeit in the names of the Directors and the development of the patent was paid for by the Company. Following a review of the records received, it became evident that the intellectual property and patent for the machines was transferred by the Directors to Steam E Holdings Limited. The records did not appear to show any consideration for the transfer, representing a potential Transaction at an Undervalue.

I have continued to instruct Keystone Law Limited of 48 Chancery Lane, Holborn, London WC2A 1JF in assisting me with this matter.

It should be noted that to date, the Directors have not provided a satisfactory response regarding the potential Transaction at an Undervalue.

I wrote to HSBC Bank Plc ("HSBC") regarding the charge registered on Companies House to request the related documents. Following receipt of the related documents, it became apparent that the charge is related to a loan that was provided to the Company for the purpose of 'purchasing licenses quotas or other entitlement'.

The information also indicated the company who assisted Gum Removers Limited in drafting the assignment for the development of the patent. Keystone Law Limited are assisting me with corresponding with the company.

My investigations are ongoing and I will provide creditors with an update in my next report.

Should you have any information which may assist me in identifying any additional assets that form part of the Liquidation estate please write to me at the above address. This request for information forms part of my usual investigation procedures and is not intended to imply any criticism of the Directors or former Director's conduct.

4. Receipts and Payments

Attached to this report is a full account of receipts and payments for the period from 3 December 2019 to 2 December 2020, together with a full account of receipts and payments for the entirety of the Liquidation to the second anniversary of my appointment, being 3 December 2018 to 2 December 2020 which should be read in conjunction with the information contained in this report and my previous report.

Estate funds are held in an Insolvency Service account ("ISA") operated by the Insolvency Service. This account is an interest-bearing account. There is a negative balance of funds currently held in the ISA.

4.1. Receipts

4.1.1. Book Debts

HSBC Invoice Finance (UK) Limited ("HSBC IF") provided an invoice financing facility to the Company. Book debts of £3,143 were received during the period of this report, being the surplus received from HSBC IF following the collection of the Company's book debt ledger. Total debts realised to date amount to £5,276.

4.2. Payments

4.2.1 Secretary of State Fees

An amount of £88 has been charged in respect of the Secretary of State fees charged by the Insolvency Service for the use of the ISA, where the funds must be held.

5. Liabilities

5.1. Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charge:

HSBC Bank PLC – Fixed and Floating Charge
Created: 20 November 2015
Delivered: 23 November 2015

5.2. Preferential Creditors

I am not aware of any preferential creditors.

5.3. Non-preferential Unsecured Creditors

The list of creditors provided by the Official Receiver included sixteen creditors with an estimated total liability of £282,817.

To date, four creditor claims amounting to £111,915 have been received. I am yet to adjudicate on any of these claims.

6. Dividend Prospects

I am currently in the process of investigating a potential claim as detailed above. Any potential dividend is dependent on my ongoing investigations into the transfer of the intellectual property and patent.

7. Investigation into the Affairs of the Company

As reported in section 3 and 6, I am proceeding with my investigations regarding the potential Transaction at an Undervalue.

Matters requiring further investigation that may lead to potential recovery actions have been identified, and work has been undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

8. Liquidator's Remuneration

As you will be aware, in my previous report I requested a fee resolution from the creditors.

Unfortunately, the notice detailing the resolutions sought was inconsistent with the Voting Form that was included.

Creditors voted in favour of the fee resolution but on the incorrect Voting Form. I am therefore enclosing an amended version in order for the creditors to vote again on the correct resolutions. These correct resolutions are detailed below:

- i). That the Liquidator's fees be approved on a combination of a fixed fee and % basis for different categories of work, the details of which are set out in the report prepared in connection with fee approval and issued with this notice.
- ii). That the Liquidator be permitted to recover category 2 disbursements.

For the sake of completeness, I attach a copy of my practice fee recovery policy. In this case I am seeking to fix the basis of my remuneration on a fixed fee and percentage basis as detailed below:

Fixed fee basis:

There are certain tasks that I must carry out on nearly every Liquidation, namely Administration and Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still must be carried out.

Administration: This represents the work that is involved in the routine administrative functions of the case by myself and my staff, together with the control and supervision of the work done on the case by myself (and my managers). It does not give direct financial benefit to the creditors, but has to be undertaken to meet requirements under the Insolvency legislation and the Statements of Insolvency Practice, which set out the required practice that Office Holders must follow.

Creditors: Claims of creditors - I need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. I will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. I am required to undertake this work as part of my statutory functions.

After taking into account the nature and value of the assets involved and that this is a routine case, as highlighted above, I have concluded that a fixed fee of £18,500 plus VAT is necessary to cover that work. I have also compared the proposed fixed fee with our past time records for undertaking the work in respect of cases of a similar size and complexity and taken that into account when determining the level of the fixed fee sought, and as a result I believe that this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken. Full information about the work that I will undertake for the fixed fee is contained in my practice fee recovery policy.

Percentage basis:

There are certain tasks that I only have to carry out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. I undertake the work to protect and then realise the assets, initially at my own cost, suffering the loss if any asset is not realisable. If assets are recovered, I first recover my costs and then distribute any balance. I am seeking to recover a percentage of the assets that I realise in order to remunerate me for the work that I undertake in respect of realising them. The percentage I propose to charge will also share the anticipated benefit with the creditors. I am seeking to recover the following percentages:

| | |
|---|-----|
| • Equity in Freehold / Leasehold Property | 25% |
| • Plant & Machinery / Fixtures & Fittings / Stock | 25% |
| • Goodwill / Intellectual Property Rights / Investments | 25% |
| • Book Debts / Work in Progress / Rent Deposit | 20% |
| • Equity in Motor Vehicles | 20% |
| • Cash at Bank / Funds held by reporting accountant | 15% |
| • HM Revenue & Custom Refunds | 15% |
| • In relation to any other asset recovery arising from the Office Holders investigations (e.g. antecedent transaction recoveries) | 50% |

I consider that the percentages I am seeking approval for reflects the risk that I am taking, the nature of the assets involved, and the complexity of the Liquidation, as highlighted above.

Whilst I am required to maintain records of creditors' claims in all cases, in those cases where sufficient realisations are made to enable me to pay a dividend to creditors, I have to undertake certain statutory formalities. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors. I will, in addition, be seeking remuneration as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution including Prescribed Part payments), as listed below. This reflects the additional work on creditors' claims to facilitate a distribution to creditors.

| | |
|---------------------|-----|
| • The first £20,000 | 25% |
| • The next £80,000 | 15% |
| • Over £100,000 | 10% |

I consider that the percentage I am seeking approval for reflects the number of creditors involved and the complexity of the Liquidation, as highlighted above. I have also compared the proposed percentage for which approval is being sought with the statutory scale for such work and taken that into account when determining the percentage being sought. I believe that this demonstrates why the percentage proposed is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

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/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Insolve Plus Ltd's fee policy are available at the link <https://www.insolveplus.com/>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

9. Liquidator's Expenses

9.1 Category 1 Disbursements

I have incurred the following expenses, excluding VAT, in the period since my appointment as Liquidator. These disbursements have not yet been paid.

| Type of expense | Amount incurred £ |
|-----------------------|----------------------|
| Specific Bond | 64.00 |
| Statutory Advertising | 84.18 |
| | <hr/> 148.18 |

9.2 Category 2 Disbursements

To date, no category 2 disbursements have been incurred.

Details of my category 2 disbursement recovery policy are included within our practice fee recovery sheet. I am seeking a decision from creditors approving category 2 disbursements.

As stated in my previous report, in addition to the expenses already incurred, I anticipate that the expenses totalling £10,000 will arise in respect of legal fees.

Expenses do not have to be approved, but when reporting to the committee and creditors during the Liquidation the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

I have not been able to draw any expenses in this matter.

10. Professional Agents and Advisors

I have used the following agents or professional advisors in the reporting period:

| Professional Advisor | Nature of Work | Basis of Fees |
|----------------------|----------------|---------------|
| Keystone Law Limited | Solicitors | Time costs |

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.

11. Further Information

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 Liquidator's 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 Liquidator as being excessive, and/or the basis of the Liquidator's 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.

To comply with the Provision of Services Regulations, some general information about Insolve Plus Ltd can be found at <https://www.insolveplus.com/>.

12. Summary

The Liquidation will remain open until my investigations have been concluded. I estimate that this will take approximately 12 months and once resolved the Liquidation will be finalised and my files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Sabrina Frappaolo by email at sabrinafrappaolo@insolveplus.com, or by phone on 020 7495 2348.

Yours faithfully



Lloyd Hinton FIPA
Liquidator

Gum Removers Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

| Statement of Affairs £ | From 03/12/2019 To 02/12/2020 £ | From 03/12/2018 To 02/12/2020 £ |
|---|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS | | |
| Book Debts | 3,143.68 | 5,276.16 |
| Refund of Enterprise Guarantee Loan Fee | NIL | 27.14 |
| | 3,143.68 | 5,303.30 |
| COST OF REALISATIONS | | |
| O.R. Debit Balance | NIL | 9,400.00 |
| Sec of State Fees | 88.00 | 176.00 |
| | (88.00) | (9,576.00) |
| | 3,055.68 | (4,272.70) |
| REPRESENTED BY | | |
| ISA IB | | (4,272.70) |
| | | (4,272.70) |

PROOF OF DEBT
under rule 14.4 The Insolvency (England and Wales) Rules 2016

Gum Removers Limited ("the Company") - In Compulsory Liquidation
In the High Court of Justice Number 003722 of 2018

Decision Date: 19 February 2021

| | | |
|---|--|----------------------------|
| 1 | Name of creditor: | |
| 2 | Address of creditor: | |
| 3 | <p>Claim, including VAT, as at date of Liquidation:</p> <p>Less: any payments made after that date in relation to the claim; any deduction for discounts (except a discount for immediate or early settlement) which would have been available but for the insolvency proceedings; and any adjustment as a result of set-off</p> <p>Total claim, including VAT</p> | <p>£</p> <p>£</p> <p>£</p> |
| 4 | The amount of any uncapitalised interest that is include in the claim, if any. | £ |
| 5 | Particulars of how and when the debt was incurred | |
| 6 | Please provide details of any documents by which debt can be substantiated: | |
| 7 | Particulars and value of any security held and the date it was given: | |
| 8 | <p>Signature of creditor or authorised person:</p> <p>NAME, IN BLOCK LETTERS:</p> <p>Creditor's reference:</p> | |
| 9 | <p>Position or relationship with creditor:</p> <p>(eg, director, accountant, credit controller etc)</p> | |

Notice of decisions by correspondence
Gum Removers Limited ("The Company") - In Compulsory Liquidation
(Company Number 07864994)

NOTICE IS GIVEN by Lloyd Edward Hinton to the creditors of Gum Removers Limited that set out below are resolutions for your consideration under rule 18.16 of The Insolvency (England and Wales) Rules 2016. Please complete the voting section below indicating whether you are in favour or against the following decision(s):

- i). That the Liquidator's fees be approved on a combination of a fixed fee and % basis for different categories of work, the details of which are set out in the report prepared in connection with fee approval and issued with this notice.
- ii). That the Liquidator be permitted to recover category 2 disbursements.

The final date for votes is 19 February 2021, the decision date.

1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at Insolve Plus Ltd, Allan House, 10 John Princes Street, London, W1G 0AH by no later than 23.59 hours on 19 February 2021. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of Lloyd Edward Hinton by no later than 23.59 on 19 February 2021, without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision(s) provided they have lodged proof of their debt.
5. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision(s) above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
6. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of 19 February 2021, the decision date.

Creditors requiring further information regarding the above, should either contact me at Allan House, 10 John Princes Street, London, W1G 0AH, or contact Sabrina Frappaolo by telephone on 020 7495 2348, or by email at sabrinafrappaolo@insolveplus.com.

DATED THIS 29TH DAY OF JANUARY 2021



Lloyd Hinton FIPA
Liquidator

Gum Removers Limited ("The Company") - In Compulsory Liquidation

(Company Number 07864994)

Voting on Decision

i). That the Liquidator's fees be approved on a combination of a fixed fee and % basis for different categories of work, the details of which are set out in the report prepared in connection with fee approval and issued with this notice.

For / Against

ii). That the Liquidator be permitted to recover category 2 disbursements.

For / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of
creditor: _____

Signature of
creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Date: _____

**Notice of invitation to form a Liquidation Committee
Gum Removers Limited ("the Company") - in Compulsory Liquidation
In the High Court of Justice, Number 003722 OF 2018
(Company Number 07864994)**

NOTICE IS GIVEN by Lloyd Edward Hinton to the creditors of Gum Removers Limited of an invitation to form a Liquidation Committee under rule 6.19 of The Insolvency (England and Wales) Rules 2016.

1. Creditors are invited to determine whether a Liquidation Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of debt that has not been disallowed for voting or dividend purposes.
4. Please complete the section below, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Allan House, 10 John Princes Street, London, W1G 0AH so that it is received by no later than 23.59 on 19 February 2021, the decision date.

The final date for the decision about the formation of a Committee and for nominations for members of the Committee is 19 February 2021, the decision date.

DATED THIS 29TH DAY OF JANUARY 2021



Lloyd Hinton FIPA
Liquidator

**Gum Removers Limited (“the Company”) - in Compulsory Liquidation
In the High Court of Justice, Number 003722 OF 2018**

Voting on Decision

I. A Liquidation committee should be established, and I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Dated: _____

Insolve Plus Ltd

Insolvency Assignment Charging and Disbursement Recovery Policy

Fixed fee and percentages of realisations and distributions

Where the approved basis of remuneration is as a fixed fee and/or on a percentage of realisations and distributions, the charges are applied as follows, unless otherwise specified and approved;

Fixed fee basis

There are certain tasks that have to be undertaken in nearly every insolvency assignment, namely Administrative duties and dealing with Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Administration: This represents the work that is involved in the routine administrative functions of the case by the Office Holder and their staff, together with the control and supervision of the work done on the case by the Office Holder (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the Office Holder to meet their requirements under the Insolvency legislation and the Statements of Insolvency Practice, which set out the required practice that Office Holders must follow.

Creditors: Employees - The Office Holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service (RPS). That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. The Office Holder is required to undertake this work as part of his statutory functions.

Claims of creditors - the Office Holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The Office Holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The Office Holder is required to undertake this work as part of his statutory functions.

This Firm's past time records have been reviewed and after taking into account the complexity of the insolvency assignment, concluded that a fixed fee of £18,500 plus VAT is necessary to cover administrative work. This fee is to be drawn from the asset realisations at the Office Holder's discretion, as and when funds are available. A fixed fee of £18,500 plus VAT for undertaking that work in the insolvency assignment is being sought. This demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that is anticipated to be necessarily and properly undertaken. Information about the work that will be undertaken for the fixed fee is listed below. Please note that the list includes generic tasks that may not be necessary every time, but arise in a typical case and are expected to be necessary in this case. If any one task is not required it would not make a material difference to the amount of work done for which approval of the fixed fee is being sought.

- Dealing with anti money laundering compliance requirements
- Undertaking statutory notifications to Companies House and Creditors, including gazetting the Office Holders appointment
- Arranging the statutory advertising of the appointment
- Case planning and devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Setting up and maintaining case files
- Setting up the case on the Office Holders electronic case management system ("IPS") and entering data
- Convening and holding meetings of members and creditors where applicable
- Dealing with decision making procedure
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing Office Holders estate bank account
- Creating, maintaining and managing Office Holders cash book
- Undertaking regular reconciliations of the estate bank account(s)
- Undertaking regular reviews of the progress of the case
- Filing returns at Companies House
- Preparing and filing Corporation Tax return
- Preparing and filing VAT returns
- Case reviews at one month, three months, six months and thereafter every six months
- Overseeing and reviewing the work on the case by the case administrators

- Attending to correspondence with creditors and others, including emails
- Attending to telephone calls with creditors
- Maintaining creditor information
- Attending to correspondence and telephone calls with directors and shareholders
- Attending to correspondence and telephone calls with other parties including HM Revenue & Customs
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation and submission of statutory reports to the Secretary of State
- Preparing, reviewing and issuing statutory reports to creditors and members
- Obtaining information from the case records about employee claims
- Completing documentation for submission to the Redundancy Payment Office
- Corresponding with the Redundancy Payments Office regarding employee claims
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Ascertaining the existence of a pension scheme
- Submitting the relevant pension notification (if applicable)
- Arranging for the winding up of the pension scheme (if applicable)
- Recovering and listing the books and records of the case
- Conducting an initial investigation with a view to identifying potential assets by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors, and others
- Reviewing the books and records of the case to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors
- Obtaining closure clearance from government departments such as HMRC
- Preparing and issuing final report
- Holding final meetings and preparing minutes, where applicable
- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records
- Filing final returns at Companies House (if applicable)

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency assignment, which is either required by Statute or necessary to perform the basic duties of an Office Holder, but may not necessarily provide a direct financial benefit to creditors.

If the case remains open for more than two years an additional fee of £5,000 plus VAT will be charged, per annum, from the third year onwards, to cover the administrative and statutory work required to keep the case open.

Percentage basis:

There are certain tasks that are carried out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. The work is undertaken to protect and then realise the assets, initially at this Practice's own cost, suffering the loss if any asset is not recoverable. If assets are recovered, the Office Holder's costs are first recovered and then any balance is distributed. A percentage basis is being sought as it reflects the risk being taken, the nature of the assets involved, the complexity of the insolvency assignment and shares the anticipated benefit with the creditors.

The Office Holder will, therefore, be seeking fees based on the percentages of asset realisations listed below (net of any fixed charges or finance). Creditors should note that these charges will not be levied on the first £18,500 of realisations if the Office Holder has drawn a fixed fee as detailed above. The percentage proposed is expected to produce a fair and reasonable fee to reflect the work that is necessarily and properly undertaken to realise assets.

| | |
|---|-----|
| • Equity in Freehold / Leasehold Property | 25% |
| • Plant & Machinery / Fixtures & Fittings / Stock | 25% |
| • Goodwill / Intellectual Property Rights / Investments | 25% |
| • Book Debts / Work in Progress / Rent Deposit | 20% |
| • Equity in Motor Vehicles | 20% |
| • Cash at Bank / Funds held by reporting accountant | 15% |
| • HM Revenue & Custom Refunds | 15% |
| • In relation to any other asset recovery arising from the Office Holders investigations (e.g. antecedent transaction recoveries) | 50% |

The Office Holder will in addition be seeking remuneration as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution including Prescribed Part payments), as listed below. This reflects the additional work on creditors claims to facilitate a distribution to creditors

| | |
|---------------------|-----|
| • The first £20,000 | 25% |
| • The next £80,000 | 15% |
| • Over £100,000 | 10% |

The work undertaken on a percentage basis includes, but is not limited to, the following:

- Arranging suitable insurance over assets
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with banks regarding the closure of accounts
- Instructing agents to value known assets
- Disposing of the business and assets
- Dealing with Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Instructing solicitors to assist with the sale of leasehold/freehold properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Liaising with secured creditors in respect of the realisation of charged assets
- Determining ownership of assets such as properties and vehicles
- Issuing notice of intended dividend and placing an appropriate notice
- Reviewing and adjudicating on proofs of debt received from creditors
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

Time cost basis

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June 2019 are as follows:

| | |
|-----------------------|-------------|
| Directors | £450 - £595 |
| Associate Directors | £450 |
| Managers | £350 |
| Senior Administrators | £250 |
| Administrators | £175 |
| Cashiers | £125 |
| Office Junior | £75 |

Disbursement recovery

Category 1 disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Insolve Plus and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing and room hire. Document storage and associated services is charged at cost.

If an asset agent is required on a case it is anticipated that they would be paid approximately £1,000 plus VAT for providing a valuation report, but this may vary according to the size and complexity of the assets. If that agent is then required to assist with the sale of those assets it would be anticipated that the agent would receive approximately 10% of gross realisations. In the event that the office holder instructs a debt collection agent it is anticipated that the agent will be paid a percentage of debtor realisations. This percentage will vary from approximately 5% to 25% depending upon the age and complexity of the debt. If the Office Holder is required to instruct a solicitor it is anticipated that the solicitor will charge on a time cost basis which would be monitored by the office holder and disclosed to creditors in future progress reports.

Category 2 disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by Insolve Plus and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an Office Holder's remuneration. When seeking approval, an Office Holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by Insolve Plus are as follows:-

| | |
|----------------------------------|--------------|
| Room hire (internal) | £150 |
| Virtual meeting | £100 |
| Photocopying/scanning (internal) | 15p per side |
| Business mileage | 45p per mile |

In certain circumstances it may be necessary for Insolve Plus Ltd, or a third party, to fund certain costs and or disbursements of the insolvency assignment. These may include, but are not limited to, statutory bond, statutory advertising, legal fees and disbursements, agents' fees and disbursements, storage and site clearance. In the event that Insolve Plus Ltd, or a third party, does agree to fund these costs and disbursements and the funds remain outstanding for at least six months from the date the monies were paid out, Insolve Plus Ltd, or the relevant third party, can charge a 100% uplift to the assignment in question when funds become available. This charge is at the discretion of Insolve Plus Ltd or the third party. It represents a reasonable charge when considering the risks associated with funding insolvent estates. It is in line with, or less than, comparable funding arrangements such as disbursement funding policies or conditional fee arrangements. It means that asset recoveries can be made in circumstances which would otherwise not be economic. For the avoidance of doubt, if the funds are available in the insolvent estate to settle the relevant costs within the six month time period, but the Office Holder/Insolve Plus Ltd decided not to settle the costs at that time, Insolve Plus Ltd would not be entitled to the uplift as the funds were available, but they have chosen not to draw them.

All costs are subject to VAT, where applicable. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

1 June 2019

Rule 18.9 – Creditors’ and members’ requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members’ voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members’ voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members’ voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Rule 18.34 – Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").