

LIQ03.

Notice of progress report in voluntary winding up



Companies House

FRIDAY



A14 *A865YTQX*
24/05/2019 #252
COMPANIES HOUSE

1 Company details

Company number 09702124

Company name in full BCXE Limited

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

2 Liquidator's name

Full forename(s) Simon Wesley

Surname Hicks

3 Liquidator's address

Building name/number Lameys

Street Envoy House, First Floor

Longbridge Road

Post town Plymouth

County/Region Devon

Postcode PL6 8LU

Country UK

4 Liquidator's name

Full forename(s) Michelle Anne

Surname Weir

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

5 Liquidator's address

Building name/number Lameys

Street Envoy House, First Floor

Longbridge Road

Post town Plymouth

County/Region Devon

Postcode PL6 8LU

Country UK

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

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6 Period of progress report

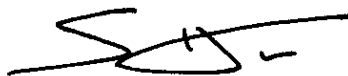
From date	^d 2	^d 3	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 2	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9

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

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 2	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9
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LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

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

Contact name **Lauren Kessel**

Company name **Lameys**

Address **First Floor**

Envoy House

Longbridge Road

Post town **Plymouth**

County/Region **Devon**

Postcode

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Country **UK**

DX

Telephone **01752 254912**

**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

ANNUAL PROGRESS REPORT OF BCXE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

Content

- Executive summary
- Administration and planning
- Enquiries and Investigations
- Realisation of assets
- Trading
- Creditors
- Fees and expenses
- Creditors' rights
- EU Regulations
- General Data Protection Regulation
- Conclusion

Appendices

- Appendix A - Statutory information
- Appendix B – Receipts and payments account for the period 23 March 2018 to 22 March 2019
- Appendix C - Detailed list of work undertaken in the period
- Appendix D - Expenses summary for period, cumulative & comparison with estimate
- Appendix E – Additional information in relation to liquidators' fees

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

Asset	Estimated to realise per statement of affairs	Realisations to date	Anticipated future realisations	Total anticipated realisations
Fixtures & fittings	6,320	6,320	Nil	6,320
Ice machine surplus	1,680	1,680	Nil	1,680
Stock	Nil	4,000	Nil	4,000

Expenses

Expense	Amount per fees and expenses estimates	Expense incurred to date	Anticipated further expense to closure	Total anticipated expense
Preparation of statement of affairs fees	5,000	5,000	Nil	5,000
Joint Liquidators' fees	12,000	6,400	Unknown	Unknown
Agents' fees	Nil	500	Nil	500
Statutory advertising	293	293	Nil	293
Statutory bonding	52	80	Nil	80
Land Registry searches	6	43	Nil	43
Postage	100	70	30	100
Mileage	Nil	72	Nil	72
Retention of title over stock	Nil	191	Nil	191

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	N/A	N/A
Preferential creditors	N/A	N/A
Unsecured creditors	Nil	Nil

Key issues which are outstanding

The only issues which remain for the Joint Liquidators to deal with is the conclusion of the matters identified from the investigations. Further details in this regard are provided in the enquiries and investigations section, below.

Closure

Due to outstanding issues, it is difficult to estimate the likelihood and timing of any dividend to unsecured creditors and the timescale for the closure of the liquidation.

ADMINISTRATION AND PLANNING**Statutory information**

Statutory information may be found at Appendix A.

The joint liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix C.

ANNUAL PROGRESS REPORT OF BCXE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

The joint liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

The report presented to the virtual meeting of creditors held on 23 March 2018 and distributed to creditors following the liquidators' appointment;

Other administration tasks

During the Review Period, the following material tasks in this category were carried out:

Case reviews etc.
Realisation of assets
Ongoing investigations

ENQUIRIES AND INVESTIGATIONS

During the Review Period, the joint liquidators carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the directors by means of questionnaires; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The directors provided the books and records and a completed questionnaire as well as a statement of affairs.

The information gleaned from this process enabled the joint liquidators to meet their statutory duty to submit a confidential report on the conduct of the directors to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment revealed matters that the Joint Liquidators considered merited further investigation and action.

Since March 2016, repayments have been made to one of the directors' family in respect of a loan which he made to The Company. The repayments total £59,400 and may be recoverable from the family member and or the directors.

Inter-company debtor balances totalling over £500,000 were transferred to other group companies which are controlled by the directors in partial repayment of the Company's liability to them. If the transfers had not been made the debtors would have been repayable to the Company. The transfers may be recoverable from the other group companies and/or the directors.

The joint liquidators have written to the directors and engaged solicitors to consider whether these sums can be recovered. At this stage no further information in relation to the progress of claims can be disclosed because to do so could jeopardise any eventual recovery.

The potential realisations identified in the investigations mean realisations may exceed the costs and creditors might receive a return from the liquidation. However, this is not certain and the prospects very much depends on the recovery and cost from the ongoing matters.

Although this work may not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

REALISATION OF ASSETS

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix C. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Transactions with connected parties

Since appointment, a sale to a connected party has occurred.

The Liquidator instructed Simon Cornelius Light (BTEC Nat Eng Cert) of Lambert Smith Hampton ("LSH"), who are professional independent agents with adequate professional indemnity insurance, to dispose of the Company's assets using the most advantageous method available.

The Book Cover EX4 Limited ("Book Cover") expressed an interest in purchasing the Company's fixtures & fittings and Ice machine. Book Cover is connected with the Company because the directors were also directors of the Company.

LSH weighed up the advantages of a swift sale, which would avoid the ongoing costs of storing and marketing the assets, against the potential of attracting a better offer albeit that this would involve incurring more costs. LSH concluded that Book Cover's offer was very likely to represent the best net realisation for the assets and they recommended to the liquidators that the offer be accepted.

Consequently, the Company's Fixture & fittings and ice machine were sold to Book Cover on 23 March 2019 for £8,000 (exclusive of any VAT), which was received in full.

Stock

A stock take had been conducted and a valuation was provided by LSH. The joint liquidators' agents valued the stock at £5,117 plus VAT.

Some of the stock was subject to retention of title claims. The joint liquidators liaised with creditors and obtained and reviewed evidence on the validity of the retention of title claims. Where a valid retention of title claim was identified, the creditors were either invited to collect their stock or were paid as an expense of the liquidation.

HK4 Group Limited ("HK4") expressed an interest in purchasing the Company's stock. HK4 is connected to the Company as its two directors are also directors of the Company.

Taking into account the advantages of a swift sale, removal and storage costs for the stock, the Joint Liquidators agreed to sell the stock for £4,000 plus VAT to HK4, these funds have been received.

The only other realisation in this period has been minimal bank interest of 47 pence.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the joint liquidators have had to carry out key tasks which are detailed in the list at Appendix IV. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

The Company has not granted any charges over its assets.

Preferential creditors

There are no preferential creditors in this matter.

Unsecured creditors

The trade and expense creditors as per the statement of affairs totalled £446,311. Please be advised that proofs of debt are still being received and therefore the total value of unsecured claims is not known at present.

Dividend prospects

Based on current realisations there is no likelihood of a dividend to any class of creditor. However, until the investigation matters are concluded a dividend to creditors remains possible.

FEES AND EXPENSES

Pre-appointment fixed fee agreed with the directors and ratified by creditors.

The creditors authorised the fee of £5,000 for assisting the directors with placing the Company into liquidation and with preparing the statement of affairs as at 23 March 2018.

The fee was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

The joint liquidators' fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a senior manager or partner.

The basis of the joint liquidators' fees was approved by creditors on 12 April 2018 in accordance with the following decision:

"30% plus VAT of the recovery on any of the following, as a result of the investigations:-

- Antecedent transactions
- Preference transactions
- Transactions at undervalue
- Any amounts which requires solicitors to be instructed
- Any debtor balance which are not disclosed on the statement of affairs

A fixed fee of £12,000 plus VAT for dealing with all other aspects of the case."

The joint liquidators have drawn £6,400 in respect of the approved fixed fee. The joint liquidators have not drawn any fees in respect of their fees approved on a % basis.

Disbursements

The disbursements that have been incurred and not yet paid during the period are detailed in Appendix D. Also included in Appendix D is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' together with the firm's charge-out rate and disbursement policy may be found at <http://tinyurl.com/bqoaopu>. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request.

Solicitors

Michelmores LLP was instructed as legal advisors in relation to the investigations. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT.

Michelmores LLP currently has accrued costs of £750 plus VAT. The ongoing investigations require the assistance of the aforementioned, which means the costs are likely to increase.

Agents and valuers

Lambert Smith Hampton was instructed as agents and valuers in relation to the fixtures & fittings, ice machine and stock. Their costs have been agreed on the basis of their standard sales commission rate, plus disbursements and VAT. The agents' fees for the period 23 March 2018 to 22 March 2019 amount to £500 (plus VAT) and they have been paid in full.

CREDITORS' RIGHTS

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 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the joint liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

The Company's centre of main interest was in the UK as their registered office address was 1 Colleton Crescent, Exeter, Devon, EX2 4DG and their trading address was Unit 2 Portland House, Longbrook Street, Exeter, EX4 6AB and therefore it is considered that the EU Regulations apply. These proceedings are main proceedings as defined in the EU Regulation.

General Data Protection Regulation

The General Data Protection Regulation requires that individuals whose data is being held be contacted and provided with information about their rights. A privacy notice is available at <http://lameys.co.uk/index.php/resources/viewcategory/4-general>.

CONCLUSION

The administration of the case will be continuing to finalise the above outstanding matters that are preventing this case from being closed.

If you require any further information, please contact Lauren Kessel at this office.



Signed _____
SIMON HICKS
JOINT LIQUIDATOR

ANNUAL PROGRESS REPORT OF BCXE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

APPENDIX A

Statutory information

Company name	BCXE Limited
Former name	The Book Cover Exeter Limited
Company number	09702124
Registered office	Lameys First Floor Envoy House Longbridge Road Plymouth Devon PL6 8LU
Former registered office	1 Colleton Crescent Exeter Devon EX2 4DG
Office holders	Michelle Weir and Simon Hicks
Office holders' address	Lameys First Floor Envoy House Longbridge Road Plymouth Devon PL6 8LU
Date of appointment	23 March 2018

APPENDIX B

BCXE LIMITED
CREDITORS VOLUNTARY LIQUIDATION

RECEIPTS & PAYMENTS ACCOUNT

23 MARCH 2018 TO 22 MARCH 2019

Estimated to realise per Statement of Affairs		TOTAL TO DATE
£	RECEIPTS	£
6,320	Fixtures & fittings	6,320.00
1,680	Ice machines surplus	1,680.00
-	Stock	4,000.00
-	Interest	0.47
8,000		12,000.47
	PAYMENTS	£
	Preparation of statement of affairs fee	5,000.00
	Statutory bonding	80.00
	Agents fee	500.00
	Liquidators' remuneration	6,400.00
	Postage	11.94
		11,991.94
		8.53
	Held as:	
	VAT receivable	0.00
	Balance at bank	8.53
	Total	8.53

Notes:

1. Receipts & Payments are stated net of VAT

APPENDIX C**Detailed list of work undertaken for BCXE Limited in creditors' voluntary liquidation for the review period 23 March 2018 to 22 March 2019**

Below is detailed information about the tasks undertaken by the joint liquidators.

General description	
Statutory and general administration	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Quarterly VAT returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Pension scheme	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified
Reports	Circulating initial report to creditors upon appointment Disclosure of sales to connected parties
Creditors' decisions	Preparation of decision procedure notices, proxies/voting forms and advertisements Notice of decision procedure to all known creditors Collate and examine proofs and proxies/votes to conclude decisions Attendance at the virtual meeting of creditors and preparation of minutes of the meeting
Investigations	
SIP 2 review	Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary information if required Assisting the Insolvency Service with its investigations
Examinations	Discussions with solicitor Liaising with solicitor regarding further actions available
Litigation / recoveries	Reviewing terms of solicitors' conditional fee agreements Liaising with solicitors regarding recovery actions

ANNUAL PROGRESS REPORT OF BCXE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

General description	
Sale of assets and stock	Instructing and liaising with agents Conducting stock takes Reviewing stock values Liaising with agents and potential purchasers Negotiating with intended purchaser Pursuing deferred sale consideration
Leasehold property	Agreeing assignment, surrender or disclaiming property
Stock	
Retention of title claims	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment and correspondence to claimant to accompany payment of claim (if valid)
Creditors and distributions	
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt ("POD")	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of proof of debt ("POD") Receipt of POD

APPENDIX D

Expenses summary for period, cumulative & comparison with estimate for BCXE Limited in Creditors' Voluntary Liquidation

Below are details of the Joint Liquidators' expenses for the period under review and the total to date.

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Notes
Category 1 Expenses			
Legal fees	Nil	750	This has yet to be invoiced by Michelmores LLP
Agents' fees-Lambert Smith Hampton	Nil	500	Paid
Advertising-Courts Advertising Limited	293	293	Unpaid
Bonding	52	80	Paid
Land Registry searches	6	43	Unpaid
Postage (to be reimbursed to Lameys)	100	70	Unpaid
Retention of title	Nil	191	Unpaid
Category 2 Expenses			
Mileage (own car usage) - to be reimbursed to Lameys	Nil	72	Unpaid

APPENDIX E

Additional information in relation to liquidator's fees

1 Policy

Detailed below is Lameys policy in relation to:-
Staff allocation and the use of sub contractors
Professional advisors
Disbursements

1.1 Staff allocation and the use of sub-contractors

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

The constitution of the case team will usually consist of a Partner, Manager, Senior and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Seniors/Assistants may be allocated to meet the demands of the case.

It has been our policy as Joint Liquidators to delegate the routine administration of the Liquidation to senior staff in order to maximise the cost effectiveness of the work performed. These staff are supervised by the Liquidators. Any matter of particular complexity or significant that requires responsibility of exceptional kind will be dealt with by the Liquidators.

In common with all professional firms, the Joint Liquidators scale rates increase from time to time over the period of the administration of each Insolvency case. Lameys or any successor firm reserves the right to change the rates and grade structure.

Lameys does not utilise the services of any sub-contractors.

1.2 Professional advisors

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

Professional Advisor	Nature of Work	Basis of Fee Arrangement
Michelmores LLP Lambert Smith Hampton	Legal advice Valuers	Time cost basis Fixed fee basis

The choice was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. Lameys seeks to recover those expenses and costs that constitute Category 1 disbursements, if funds permit.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated companies for the provision of services to the office holder. It is Lameys policy not to charge for Category 2 disbursements, other than business mileage at the published rate.

2 Creditors Guide to Fees

Creditors may obtain the guidance note 'A Creditors Guide to Liquidators Fees' at <http://tinyurl.com/bgoaogu> or upon request to myself.

3 Requests for further information/Rights to challenge remuneration and expenses

3.1 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 receipt of this report. Any secured creditor may request the same details in the same time limit.

3.2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expense or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.