

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 8 9 8 1 4 6

Company name in full Garden Compass Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Louise Donna

Surname Baxter

### 3 Liquidator's address

Building name/number 1066 London Road

Street

Post town Leigh On Sea

County/Region Essex

Postcode S S 9 3 N A

Country

### 4 Liquidator's name ①

Full forename(s) Dominik

Surname Thiel-Czerwinke

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 1066 London Road

Street

Post town Leigh On Sea

County/Region Essex

Postcode S S 9 3 N A


Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>											
From date	<sup>d</sup> 0	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2				
To date	<sup>d</sup> 0	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3				
<b>7</b>	<b>Progress report</b>											
<input checked="" type="checkbox"/> The progress report is attached												
<b>8</b>	<b>Sign and date</b>											
Liquidator's signature	<div>Signature</div> <div>X </div>								X			
Signature date	<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3				

**Presenter information**

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

Contact name Rosie Thurwood

Company name Begbies Traynor (Central) LLP

Address 1066 London Road

Post town Leigh On Sea

County/Region Essex

Postcode S S 9 3 N A

Country

DX

Telephone 01702 467255

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**Garden Compass Limited t/a Mind, Body & Soil; Smartplant  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 02/08/2022 To 01/08/2023 £	From 02/08/2022 To 01/08/2023 £
	ASSET REALISATIONS		
	Cash at Bank	968.90	968.90
45,000.00	Funds held by agents for sale of asset	36,960.00	36,960.00
		37,928.90	37,928.90
	COST OF REALISATIONS		
	Liquidators' Fees	13,816.50	13,816.50
	Specific Bond	68.00	68.00
	Statement of Affairs Fee	10,000.00	10,000.00
	Stationery & Postage	1,191.54	1,191.54
	Statutory Advertising	179.60	179.60
		(25,255.64)	(25,255.64)
	PREFERENTIAL CREDITORS		
(2,331.33)	Employees re Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	SECONDARY PREFERENTIAL CREDITORS		
(8,857.51)	HMRC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(44,634.91)	Banks/Institutions	NIL	NIL
(24,405.61)	Employees	NIL	NIL
(103,238.32)	Trade Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,801.14)	Investment shareholders	NIL	NIL
(2,592.56)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(142,861.38)</b>		<b>12,673.26</b>	<b>12,673.26</b>
	REPRESENTED BY		
	Floating Current Account		9,809.62
	Vat Control Account		(2,187.49)
	Vat Receivable		5,051.13
			<b>12,673.26</b>

Dominik Thiel-Czerwinke  
Joint Liquidator

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## Garden Compass Limited t/a Mind, Body & Soil; Smartplant **(In Creditors'** Voluntary Liquidation)

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Progress report

Period: 2 August 2022 to 1 August 2023

### Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Garden Compass Limited t/a Mind, Body & Soil; Smartplant (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 2 August 2022.
"the liquidators", "we", "our" and "us"	Louise Donna Baxter both of Begbies Traynor (Central) LLP, 1066 London Road, Leigh On Sea, Essex, SS9 3NA
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

# 2. COMPANY INFORMATION

Trading name(s):	Mind, Body & Soil; Smartplant
Company registered number:	09898146
Company registered office:	1066 London Road, Leigh On Sea, Essex, SS9 3NA
Former trading address:	4 Tonsley Place, London, SW18 1BQ

# 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	02 August 2022
Date of liquidators' appointment:	2 August 2022
Changes in liquidator (if any):	None

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 2 August 2022 to 1 August 2023.

### Receipts

£36,960 has been received from agents following the sale of the Company's assets, namely the Goodwill/Trading Style of the Company, together with website, trademark, stock and trade show design items.

### Payments

£68 has been paid to Insolvency Risk Services for the specific bond.

Postage costs of £1,191.54 has been paid to Postworks.

£179.60 has been paid to Courts Advertising for statutory advertising.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2.

The details below relate to the work undertaken in the period of this report only.

The details below relate to the work undertaken in the period of this report only.

#### General case administration and planning

- Updating the electronically held information at this office;
- General filing and printing of incoming communications;
- Setting up and maintaining physical case files;
- Review of background and identifying areas requiring action and formulating a case strategy plan.
- Updating case strategy plan.
- Creation, review and update of case compliance checklists.
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories.
- General case updates to include internal meetings on case strategy and effect of instruction.
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Creation of file notes where necessary;
- Completion of one month case compliance and progression checklist;
- Completion of three month case compliance and progression checklist;
- Completion of six monthly compliance and progression checklists;



- Ensure time recording data is compliant with Statement of Insolvency Practice 9;
- Establishing the location of and subsequent collection (if applicable) of some of the Company's statutory and financial books and records from both the director of the Company and the Company's former accountants.
- Communication with the insolvent's bank to obtain copy bank statements;

On this engagement, the work identified above does not hold direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

- Updating case strategy plan;
- update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of one month case compliance and progression checklist;
- Completion of three month case compliance and progression checklist;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;

On this engagement, the work identified above does not hold direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

#### Compliance with the Insolvency Act, Rules and best practice

- Preparing documentation and dealing with formalities of appointment (both statutory and best practice);
- Preparing, reviewing and issuing initial report to creditors following appointment;
- Submission of forms to Companies House and the London Gazette advertising;
- Obtaining specific penalty bond;
- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;

#### Banking:

- Opening, maintaining and managing the insolvent estate bank account.
- Creating, maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the liquidation bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

### Investigations

- Corresponded with relevant directors of the insolvent entity to advise of the effect on them of insolvency and issue directors' questionnaires.
- Written to accountant for delivery up of company's files to include accounts and tax returns.
- Written to bank to obtain copy statements and their subsequent review if received;
- Review of books and records held.
- Reporting to relevant authorities;
- Completion of internal Company Directors Disqualification Act ("CDDA") investigations and form.
- Reviewing available records to determine any pre-appointment antecedent transactions;
- The office holders have made an appropriate submission to the Department for Business Innovation and Skills.

The office holders are obliged under the CDDA to conduct certain investigations into the affairs and conduct of the Company and its directors. A report is subsequently submitted. This work does not directly commercially benefit creditors and is a statutory requirement. However, sometimes this work overlaps with investigations on antecedent transaction which the office holders may pursue.

On this assignment, there will not be a direct commercial benefit to creditors in relation to the above matters as the office holders have not identified any commercially viable actions to bring which would lead to recovery/contributions to estate assets.

### Realisation of assets

- Review of the available information and formulating an asset realisation strategy;
- Corresponding with bank to close the Company's account and forward any credit balance held;
- Liaising with instructed agent for payment of funds collected.

On this assignment, the work detailed above has realised assets for the insolvent estate. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations. In some cases this does not yield sufficient realisations to enable creditors to have a direct financial benefit.

### **Dealing with all creditors' claims (including employees), correspondence and distributions**

Creditors:

- Creating and updating schedules of preferential and unsecured creditor claims;
- Preparing all necessary notices and forms and subsequently sending initial circular to creditors;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence;
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims.

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

Employees:

- Sending initial circular to employee;
- Liaising with the Redundancy Payments Office ("RPO") in relation to the claim of the employee;
- Review of payroll information and input of same into the electronic software for submission online;
- Completion of RP14 and RP14A information after verification procedures with books and records;

- Review of RP1 claim and comparing them to payroll information and assisting with any discrepancies.
- Liaison with the RPO and dealing with their queries.
- Taking phone calls from employees in relation to the progress of the case and their claims.
- Dealing with any discrepancies or queries from the RPO or employee;
- Attending to any employee pension scheme related matters.

On this engagement, the work detailed above has had a direct financial benefit to the preferential creditors. The work has been required to be done in order for the claims lodged by former employees of the business to be met by the redundancy payments office in the first instance, irrespective of the value of assets in the insolvent estate. The work is required to be done under Employment legislation and claim agreement in accordance with the Insolvency Act and Rules.

#### Other matters which includes meetings, tax, litigation, pensions and travel

##### Tax / VAT

- Submitting relevant initial notification to HM Revenue & Customs;
- Consideration of possible terminal loss relief claim;
- Post appointment tax compliance – submission of corporation tax return(s).
- Post appointment VAT compliance – submission of VAT returns.

On this assignment, the reconciliation of input and output VAT and the subsequent submission of VAT returns has enabled further realisation of assets for the estate but of insufficient value from which creditors may directly benefit. It is a requirement of the office holders to complete and file VAT returns until conclusion of the matter.

##### Pensions

- Establishing if a pension exists, to include online checks;
- Notification of pension protection fund and others of insolvency;
- Engagement of pension trustee services to assist the office holder.

There is no direct financial benefit to creditors of this work on this assignment. It is required by statute for the office holders to identify any possible pension schemes in place and deal with their closure or otherwise. Where schemes exist, we engage pension trustee services to deal with this on our behalf.

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs.

#### Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £2,331.33.

#### Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HM Revenue & Customs is estimated at £8,857.51.

#### Unsecured creditors

Unsecured creditors were estimated at £172,278.84.

On the basis of realisations to date we estimate an outcome for each class of the Company's creditors as follows:

#### Preferential Creditors

We expect that the Redundancy Payments office will be repaid in full for the preferential element of their claim.

#### Secondary preferential creditors

We consider that there will be sufficient funds for a dividend to be paid to HM Revenue & Customs after payment in full of the preferential creditors.

#### Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £800,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

#### Unsecured creditors

It is not expected that there will be a distribution to the unsecured creditors.

## 6. REMUNERATION & EXPENSES

#### Remuneration

Our remuneration has been fixed by a decision of the creditors on 26 October 2022 obtained via a Decision Procedure by way of correspondence by reference to the time properly given by us (as liquidators) and the

various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 21 September 2022 in the sum of £25,570.

We are also authorised to draw expenses for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 2 August 2022 to 1 August 2023 amount to £14,351.50 which represents 37.6 hours at an average rate of £381.69 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 2:

- ❑ Time Costs Analysis for the period 2 August 2022 to 1 August 2023
- ❑ Begbies Traynor (Central) LLP's charging policy

To 1 August 2023, we have drawn the total sum of £13,816.50 on account of our remuneration, against total time costs of £14,351.50 incurred since the date of our appointment.

#### Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

#### Work undertaken prior to appointment

In addition to the post appointment remuneration, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators were approved by the creditors on 2 August 2022.

#### Expenses

To 1 August 2023, we have also drawn expenses in the sum of £1,439.14 as detailed at Appendix 3.

#### Why have subcontractors been used?

No subcontractors have been used in the period.

#### Category 2 Expenses

No category 2 expenses have been incurred.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated what the expenses of the liquidation would total and included a schedule in the creditors information pack, made available to creditors on 20 July 2023. That estimate has been exceeded in relation to postage costs as we were not able to correspond with the numerous shareholders by email.

## 8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

As detailed in the director's statement of affairs, the Company held no assets as they were sold prior to the liquidation and the funds were held by the instructed agent.

All that remains to do in the liquidation is receive the VAT refund and pay a dividend to preferential creditors.

General work includes the following:

### General case administration and planning

- The preparation, drafting and issue of this report to creditors and members to include all necessary information;
- Updating case strategy plan;
- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;

On this engagement, the work identified above does not hold direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

### Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;

- Issuing annual progress reports for submission at Companies House and copies sent to all known creditors.

#### Banking:

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable;

#### Closure

- Filing of final return at Companies House;
- Update physical and electronic case records following closure

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

#### **Dealing with all creditors' claims (including employees), correspondence and distributions**

##### Creditors:

- The issue of this report and associated required documents;
- Updating schedules of preferential and unsecured creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence;
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims.

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

#### Other matters which includes meetings, tax, litigation, pensions and travel

- Liaising with HMRC to chase VAT reclaim;
- Further reclaims as necessary;
- The Completion of Corporation Tax returns;
- Filing of final Corporation Tax return;
- Seeking closure clearance from HMRC.

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors. These

include the provision of VAT returns after the liquidation as the majority of VAT will be recoverable and therefore an asset of the insolvent estate.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed. As you know, this work is necessary in order that I may complete the liquidation as envisaged. The cost of completing this work will not exceed any amounts approved by creditors previously.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses previously made available to creditors.

What is the anticipated payment for administering the case in full?

We estimated that the cost of administering the case would be in the region of £25,570, and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, due to the fact that there are limited assets, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the liquidation, I can estimate that total remuneration drawn will be in the region of £17,000.

However, please note that should there be additional or unexpected asset realisations, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

## 9. OTHER RELEVANT INFORMATION

### Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties which have not been previously disclosed to creditors.

### Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

## 10. CREDITORS' RIGHTS

### Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.



Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## 11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



pp Louise Baxter  
Joint Liquidator

Dated: 25 September 2023

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 2 August 2022 to 1 August 2023

**Garden Compass Limited t/a Mind, Body & Soil; Smartplant  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments  
To 01/08/2023**

S of A £		£	£
	<b>ASSET REALISATIONS</b>		
45,000.00	Funds held by agents for sale of asset	36,960.00	
	Cash at Bank	968.90	
			37,928.90
	<b>COST OF REALISATIONS</b>		
	Specific Bond	68.00	
	Statement of Affairs Fee	10,000.00	
	Liquidators' Fees	13,816.50	
	Stationery & Postage	1,191.54	
	Statutory Advertising	179.60	
			(25,255.64)
	<b>PREFERENTIAL CREDITORS</b>		
(2,331.33)	Employees re Arrears/Hol Pay	NIL	
			NIL
	<b>SECONDARY PREFERENTIAL CREDITORS</b>		
(8,857.51)	HMRC	NIL	
			NIL
	<b>UNSECURED CREDITORS</b>		
(103,238.32)	Trade Creditors	NIL	
(24,405.61)	Employees	NIL	
(44,634.91)	Banks/Institutions	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(2,592.56)	Ordinary Shareholders	NIL	
(1,801.14)	Investment shareholders	NIL	
			NIL
<b>(142,861.38)</b>			<b>12,673.26</b>
	<b>REPRESENTED BY</b>		
	Floating Current Account		9,809.62
	Vat Control Account		2,863.64
			<b>12,673.26</b>



Dominik Thiel-Czerwinke  
Joint Liquidator

## COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 2 August 2022 to 1 August 2023.

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance\* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fees estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance\* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

### EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
  - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
  - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

\* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile.

#### General Office Overheads

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 expense:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

#### BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10 <sup>th</sup> July 2023 until further notice
Appointment taker/partner	670-815
Managers/directors	525-640
Other professional	285-425
Junior professional/support	210

Grade of staff	Standard Charge-out rate (£ per hour) 01 March 2019 – 9 July 2023	Complex charge out Charge-out rate (£ per hour) 01 March 2019 – 9 July 2023
Consultant/Partner	690	760
Director	580	640
Senior Manager	500	550
Manager	475	525
Assistant Manager	385	425
Senior Administrator	340	375
Administrator	260	290

\* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Trainee Administrator	190	210
Support	175	195

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

The office holder may use the services of BTG's Contentious Insolvency Division (CID) during the course of the case. The CID is a department of the office holder's firm which specialises in asset recovery and complex investigative matters. The current charge-out rates applying to work carried out by the CID are as follows and subject to increase from time to time:

Grade of staff	Charge-out rate (£ per hour)
Partner	690
Director	580
Senior Investigator	475
Investigator	410
Trainee Investigator	260

\* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

SIP9 Garden Compass Limited - Creditors Voluntary Liquidation - 03GA364.CVL : Time Costs Analysis From 02/08/2022 To 01/08/2023

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		0.5	0.2							0.7	409.00	594.29
	Administration				1.8		0.2	0.6	5.5		8.3	2,178.00	262.41
	Total for General Case Administration and Planning:		0.5	0.2	1.8		0.2	0.6	5.5		9.0	2,587.00	287.44
Compliance with the Insolvency Act, Rules and best practice	Appointment		0.4				1.1				1.5	606.00	404.00
	Banking and Bonding	1.9	0.5		0.4					3.7	6.5	2,328.50	358.23
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.2			2.1						2.3	1,135.50	493.70
	Total for Compliance with the Insolvency Act, Rules and best practice:	2.1	0.9		2.5		1.1			3.7	10.3	4,070.00	395.15
Investigations	CDDA and investigations		1.3		2.0						3.3	1,704.00	516.36
	Total for Investigations:		1.3		2.0						3.3	1,704.00	516.36
Realisation of assets	Debt collection												0.00
	Property, business and asset sales		0.5		0.3						0.8	432.50	540.63
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:		0.5		0.3						0.8	432.50	540.63
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others		0.5		5.1		0.5		2.7		8.8	3,395.50	385.85
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:		0.5		5.1		0.5		2.7		8.8	3,395.50	385.85
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors		0.8		0.7				0.7		2.2	929.50	422.50
	Meetings												0.00
	Other		0.3		0.4			0.5			1.2	494.00	411.67
	Tax	0.2	0.5		0.2				1.1		2.0	739.00	369.50
	Litigation												0.00
	Total for Other matters:	0.2	1.6		1.3			0.5	1.8		5.4	2,162.50	400.46
	Total hours by staff grade:	2.3	5.3	0.2	13.0		1.8	1.3	10.0	3.7	37.6		
	Total time cost by staff grade £:	1,484.00	3,074.00	119.00	6,175.00		612.00	338.00	1,902.00	647.50		14,351.50	
	Average hourly rate £:	645.22	580.00	595.00	475.00	0.00	340.00	260.00	190.20	175.00			381.69
	Total fees drawn to date £:											13,816.50	



## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Postage costs	Postworks	1,191.54	0.00	1,191.54
Statutory Advertising	Courts Advertising	179.60	0.00	179.60
Specific Bond	Insolvency Risk Services	68.00	0.00	68.00