

LIQ03

Notice of progress report in voluntary winding up




Companies House

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

1		Company details									
Company number	00324654										→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	ACL 123 Limited										
2		Liquidator's name									
Full forename(s)	Benjamin John										
Surname	Wiles										
3		Liquidator's address									
Building name/number	The Shard										
Street	32 London Bridge Street										
Post town	London										
County/Region											
Postcode	SE19SG										
Country	United Kingdom										
4		Liquidator's name ❶									
Full forename(s)	Geoffrey Wayne										❶ Other liquidator Use this section to tell us about another liquidator.
Surname	Bouchier										
5		Liquidator's address ❷									
Building name/number	The Shard										❷ Other liquidator Use this section to tell us about another liquidator.
Street	32 London Bridge Street										
Post town	London										
County/Region											
Postcode	SE19SG										
Country	United Kingdom										

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6	Period of progress report																
From date	d	2	d	7	m	0	m	2	y	2	y	0	y	1	y	9	
To date	d	2	d	6	m	0	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 <div>X</div>												X				
Signature date	d	2	d	1	m	0	m	4	y	2	y	0	y	2	y	0	

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Presenter information

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

Contact name	Paul Murton						
Company name	Duff & Phelps Ltd.						
Address	The Shard						
32 London Bridge Street							
Post town	London						
County/Region							
Postcode	S	E	1		9	S	G
Country	United Kingdom						
DX							
Telephone	020 7089 4700						



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

Progress Report to Creditors

21 April 2020

ACL 123 Limited
(Formerly Axminster Carpets, Limited)
(In Creditors' Voluntary Liquidation)

Joint Liquidators' Progress Report to Creditors
for the period from 27 February 2019 to 26 February 2020

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG

Definitions

Word or Phrase	Definition
ACHL	Axminster Carpets Holdings Limited (Formerly in Administration) (Now Dissolved) (Company Number: 02683126)
the Act	The Insolvency Act 1986 (as amended)
the Administration Date	5 March 2013, being the date of appointment of the Former Joint Administrators
the Administration Period	5 March 2013 to 27 February 2014
the Appointment Date	27 February 2014, being the date of appointment of the Joint Liquidators
BEIS	Department for Business, Energy & Industrial Strategy
Category 1 Disbursements	The Joint Liquidators' external and incidental costs and expenses in dealing with the Liquidation
Category 2 Disbursements	The Joint Liquidators' internal costs and expenses in dealing with the Liquidation
the Company	ACL 123 Limited (Formerly Axminster Carpets,Limited and ACL Realisations (2013) Limited) (In Creditors' Voluntary Liquidation) (Company Number: 00324654)
the Cumulative Period	27 February 2014 to 26 February 2020
the Directors	Gary Bridge, Joshua Dutfield, Simon Dutfield, David Jeffery, Martin Marron, Leslie Tonkin, Stephen Upperton and Simon Wright, the directors of the Company on the Administration Date
Duff & Phelps	Duff & Phelps Ltd., The Shard, 32 London Bridge, London SE1 9SG
Filefigure	Filefigure 30 Limited, the former holder of a fixed and floating charge over the Company's assets
the Former Joint Administrators	Benjamin Wiles, Geoffrey Bouchier Duff & Phelps and David Whitehouse of Duff & Phelps, The Chancery, 58 Spring Gardens, Manchester M2 1EW
HMRC	HM Revenue and Customs
the Joint Administrators' Reports	The Former Joint Administrators' Proposals dated 22 April 2013 and Progress Reports to Creditors dated 1 October 2013 and 13 March 2014
the Joint Liquidators	Benjamin John Wiles and Geoffrey Wayne Bouchier of Duff & Phelps

Definitions

Word or Phrase	Definition
Lloyds	Lloyds TSB Bank Plc, with whom the Company banked and the former holder of fixed and floating charges over the Company's assets
the Modified Proposals	The modified Former Joint Administrators' Proposals agreed at the creditors' meeting on 10 May 2013
PNC	PNC Business Credit (a trading style of PNC Financial Services UK Limited), the former holder of fixed and floating charges over the Company's assets
the PPF	The Pension Protection Fund
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of a company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
Previculta	Previculta Limited (Formerly in Creditors' Voluntary Liquidation) (Now Dissolved) (Company Number: 01115308)
the Purchaser	Axminster Carpets Limited, the purchaser of the business and certain assets of the Company
the Previous Reports	The Former Joint Administrators' progress reports dated 22 April 2013, 1 October 2013, 13 March 2014 and the Joint Liquidators' progress reports dated 23 April 2015, 20 April 2016, 25 April 2017, 17 April 2018 and 12 April 2019
the Reporting Period	27 February 2019 to 26 February 2020
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditors	Filefigure, Lloyds and PNC
SIP 9	Statement of Insolvency Practice 9 – Industry Best Practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the Administration Date

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1. Introduction

- 1.1 The purpose of this progress report is to detail the Joint Liquidators' acts and dealings together with the conduct of the Liquidation, during the Reporting Period.
- 1.2 This progress report should be read in conjunction with the Previous Reports, copies of which are available on request or online at <https://micro.duffandphelps.com/ukrestructuring>.
- 1.3 The Administration Period preceded the Liquidation. Please refer to the Joint Administrators' Reports for an account of the progress, conduct and conclusion of the Administration.
- 1.4 The Appendices attached form part of the Progress Report and should be read as a whole.
- 1.5 Although there are no further asset realisations anticipated and all other matters of the Liquidation are concluded, the Joint Liquidators await a final claim from the PPF before being able to pay a final dividend to creditors and thereafter, move the Company to dissolution.
- 1.6 The final claim of the PPF is contingent on the interpretation of legal documentation governing the Axminster Carpets Group Retirement Benefits Plan. The trustee of the pension scheme has made an application to Court that is due to be heard in the week commencing 15 March 2021. These proceedings are outside of the Joint Liquidators' control. However, a final dividend would be paid after this time.
- 1.7 The Joint Liquidators understand that the outcome of the Court hearing is likely to affect the quantum of the PPF's claim in the Liquidation which, in turn, would affect the quantum of the final dividend to other non-preferential unsecured creditors.
- 1.8 The Joint Liquidators require the decision of creditors on fees and a Notice of Decision by Correspondence and Voting Form is attached at Appendix 7. The Joint Liquidators must receive completed forms by no later than 23:59 hours on 8 May 2020.

2. Progress of the Liquidation

- 2.1 The manner in which the affairs and business of the Company have been managed during the Reporting Period are set out in the remainder of this report.
- 2.2 There have been no assets realised in the Reporting Period and no further asset realisations are anticipated. Therefore, there have been no time costs incurred in this regard.

3. Investigations

- 3.1 The Joint Liquidators complied with their statutory obligation to file a report with BEIS prior to the Reporting Period, regarding the conduct of all directors that held office in the three years prior to the Administration. The content of this report remains confidential.
- 3.2 There are no ongoing investigations in relation to the Company and no outstanding lines of enquiry and, therefore, there have been no time costs incurred in the Reporting Period in respect of investigations and no further fees should be incurred in relation to investigatory matters.

4. Liabilities and Dividends

Secured Creditors

- 4.1 As reported previously, the Secured Creditors were all repaid in full during the Administration and their charges have been largely released.

Preferential Creditors

- 4.2 The Joint Liquidators declared a first and final dividend of 100 pence in the pound to preferential creditors on 20 January 2015. All preferential creditors' claims have now been paid in full.

Non-Preferential Unsecured Creditors and the Prescribed Part

- 4.3 As referred to in Paragraph 4.1, the Secured Creditors have been paid in full from fixed charge asset realisations and, therefore, the Prescribed Part is not applicable in this instance.
- 4.4 According to the SOA, non-preferential unsecured creditors total £55.96m.
- 4.5 The Joint Liquidators declared a first interim dividend to non-preferential unsecured creditors on 15 September 2015 totalling £370k, at a rate of three pence in the pound, against agreed claims totalling £12.7m.
- 4.6 Further claims totalling £109k were subsequently agreed and a catch-up dividend paid on 6 June 2017. Accordingly, claims agreed to date total £12.8m.
- 4.7 Of the dividends paid to date, dividends totalling £7.5k were unclaimed for a period of greater than six months after payment and, therefore, these dividend cheques were cancelled, and the respective amounts paid to the Unclaimed Dividends division of the Insolvency Service.
- 4.8 As previously advised, the Joint Liquidators have set aside funds to pay a catch-up dividend to non-preferential unsecured creditors, the quantum of whose claims have not yet been agreed. This is the claim from the PPF in respect of the Axminster Carpets Group Retirement Benefit Plan.
- 4.9 An initial claim has been submitted by the PPF totalling £87.3m. However, as set out in Section 1 of this report, the finalisation of this claim is contingent on the interpretation of legal documentation governing the Axminster Carpets Group Retirement Benefits Plan, which has resulted in the trustee of the pension scheme making an application to Court that is due to be heard during the week commencing 15 March 2021. These proceedings are outside of the Joint Liquidators' control. However, the Joint Liquidators are hopeful that a final dividend would be paid after this time.
- 4.10 We understand that the hearing during the week commencing 15 March 2021 is likely to determine the quantum of the PPF's claim in the Liquidation, which, in turn, will affect the final distribution to the remaining non-preferential unsecured creditors.
- 4.11 Given the above, the Joint Liquidators believe it is in the interest of all creditors to continue to keep the Liquidation open, pending completion of the legal proceedings, and will continue to liaise with the PPF regarding the progress of the legal proceedings.
- 4.12 If you have not yet submitted your Proof of Debt Form, attached at Appendix 4 is a Proof of Debt Form, which should be submitted as soon as possible.

4.13 The Joint Liquidators and their staff have incurred time costs of £4k during the Reporting Period in corresponding with creditors, this relates largely to liaising with the PPF, the pension scheme trustees and their solicitors to keep up to date with the position regarding the ongoing legal proceedings.

4.14 The Joint Liquidators will continue to liaise with the PPF and the pension scheme trustees to keep apprised of the current position regarding the ongoing proceedings and will provide a further update in the next progress report, or sooner, should matters conclude in the interim.

5. Costs and Expenses

5.1 The Joint Liquidators' fees to date have been drawn on a time cost basis. It is noted that Duff & Phelps charge out rates increased from 1 February 2020 and the new charge out rates are detailed below:

	£
Partners	650 - 750
Managers / Directors	390 - 665
Seniors	250 - 380
Assistants / Support Staff	50 - 200

5.2 The Joint Liquidators have drawn total remuneration of £260k (plus VAT) in the Cumulative Period, against their total outstanding time costs of £426k across the same period.

5.3 The Joint Administrators have incurred time costs totalling £13k in the Reporting Period, which equates to 37 hours at an average charge out rate of £345. Time has been charged in six-minute units. The Joint Liquidators are due to raise an invoice for £10k plus VAT shortly in respect of the time costs incurred in the Reporting Period.

5.4 The time costs incurred by the Joint Liquidators are set out at Appendix 1. Time has been charged in six-minute units.

5.5 The amount expected to be incurred in time costs by the Joint Liquidators over the next year is £13.8k as shown at Appendix 5. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Joint Liquidators against the outstanding time costs.

5.6 The claim of the PPF will not be established for a further year due to ongoing legal proceedings and therefore, the Liquidation must remain open for at least that length of time. The Joint Liquidators request that they be able to draw additional fees of £10k for the next year against their estimated time costs of £13.8k for that period. These time costs will largely relate to the drafting of the annual progress report to creditors, undertaking case reviews every six months and corresponding with creditors, namely the PPF in respect of the progress of the legal proceedings and their claim.

5.7 Also, at Appendix 6 is the Fees Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Joint Liquidators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of the estimated return to creditors, if any, are in the body of this report.

5.8 The Joint Liquidators have incurred expenses in dealing with the Liquidation of the Company and these are detailed in Appendix 1.

5.9 The Joint Liquidators' disbursements are also detailed at Appendix 1.

6. **The Joint Liquidators' Receipts and Payments Accounts**

6.1 Detailed Receipts and Payments Accounts for the Reporting Period and the Cumulative Period are shown in Appendix 2. As at the Reporting Period end date there were the following cash balances:

- Floating bank account - £42,908
- Dividend bank account - £341,925
- Deposit bank account - £3,170,000

6.2 There is also VAT receivable of £3,487.

7. **Statement of Creditors' Rights**

7.1 Information regarding the fees and disbursements of Liquidators, including the rights to challenge such costs, are attached at Appendix 3.

8. **Decision by Correspondence**

8.1. The Joint Liquidators are seeking creditors' approval of the proposed resolution set out below by means of a vote by correspondence. Creditors are invited to vote on this proposed decision by completing and returning the enclosed voting form, together with a Proof of Debt Form, if one has not already been submitted. The voting form is attached at Appendix 7, together with a Notice of Decision Procedure setting out the following proposed decision:

8.1.1 That, where a Creditors' Committee is not established, the Joint Liquidators' Fee Estimate, in the total sum of £13.8k to 26 February 2021 is approved.

8.1.2 That, the Joint Liquidators be authorised to draw a further £10k plus VAT in remuneration against their fee estimate in the total sum of £13.8k to 26 February 2021.

8.2. The Joint Liquidators must receive completed forms, together with details of your claim if not already submitted, by no later than 23:59 hours on 8 May 2020 to enable your vote to be counted.

9. **Notice of Invitation to Form a Liquidation Committee**

9.1. A Notice of Invitation to form a Liquidation Committee is attached at Appendix 8 with a nomination form, should you wish to be considered, for membership of the Committee. To date, the Joint Liquidators have not received any expression of interest to form a Committee.

9.2. In the absence of a Committee, the responsibility falls to the non-preferential unsecured creditors. The Joint Liquidators do not see a need for a Committee to be formed in this case.

9.3. Notwithstanding this, creditors are entitled to seek the formation of a Committee, provided that there are sufficient nominations to form a Committee. In order to form a Committee, at least three nominations would be required, and the requisite majority of creditors would also need to object to the proposed decision not to form a Committee. Appendix 9 provides further information on these steps.

10. Conclusion

- 10.1 Creditors will receive formal reports annually until the conclusion of the Liquidation. For the reasons set out in this report, it is not anticipated that the Liquidation will conclude within the next 12 months and, therefore, the next report will be the Joint Liquidators' Progress Report, sent within two months of 26 February 2021.
- 10.2 In the meantime, if you require any further information please contact Marcus Bassett of this office.

Yours faithfully
For and on behalf of
ACL 123 Limited



Benjamin Wiles
Joint Liquidator

Encs

Appendix 1

Analysis of Time Charged and Expenses Incurred

ACL 123 Limited (Formerly Axminster Carpets,Limited) (In Creditors' Voluntary Liquidation)
Analysis of the Joint Liquidators' Time Costs in the Reporting Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case Review and Case Diary Management	0.00	0.00	1.60	0.40	0.00	2.00	700.00	350.00
Cashiering and Accounting	0.00	2.60	4.30	5.30	0.00	12.20	4,005.50	328.32
Statutory Matters (Meetings, Reports and Notices)	0.00	1.50	4.00	3.90	0.00	9.40	3,121.50	332.07
Strategy, Planning and Control	0.00	0.00	1.20	0.50	0.00	1.70	663.00	390.00
Tax Compliance / Planning	0.00	0.00	0.70	0.00	0.00	0.70	273.00	390.00
Creditors								
Communications with Creditors / Employees	0.00	0.00	9.00	2.00	0.00	11.00	3,980.00	361.82
Secured Creditors	0.00	0.00	0.30	0.00	0.00	0.30	117.00	390.00
Total Hours:	0.00	4.10	21.10	12.10	0.00	37.30		344.77
Total Fees Claimed (£):	0.00	3,262.00	17,298.00	6,120.00	0.00		12,860.00	

Category 1 Disbursements

There were no Category 1 Disbursements in the Reporting Period.

ACL 123 Limited (Formerly Axminster Carpets,Limited) (In Creditors' Voluntary Liquidation)
Analysis of the Joint Liquidators' Time Costs in the Cumulative Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case Review and Case Diary Management	0.50	7.90	24.40	81.00	0.00	113.80	25,967.50	228.19
Cashiering and Accounting	1.00	27.50	89.30	132.00	0.00	249.80	63,874.50	255.70
Dealings with Directors and Management	0.00	0.00	0.60	0.00	0.00	0.60	192.00	320.00
IPS Set Up and Maintenance	0.00	2.60	1.20	7.45	0.00	11.25	2,424.00	215.47
Insurance	0.00	0.00	3.10	2.50	0.00	5.60	1,451.50	259.20
Statutory Matters (Meetings, Reports and Notices)	0.00	20.70	62.10	130.30	0.00	213.10	56,354.00	264.45
Strategy, Planning and Control	8.50	5.80	5.80	49.20	0.00	69.30	19,655.00	283.62
Tax Compliance / Planning	0.00	2.10	13.70	12.30	0.00	28.10	7,916.00	281.71
Creditors								
Communications with Creditors / Employees	0.00	25.10	63.90	146.10	0.00	235.10	53,729.00	228.54
Non Preferential Creditor Claims Adjudication and Distribution	0.00	7.70	15.50	267.15	0.00	290.35	62,390.00	214.88
Non Preferential Creditors / Employee Claims Handling	0.00	17.90	23.70	237.85	0.00	279.45	55,759.50	199.53
Preferential Claims Adjudication and Distribution	0.00	12.10	24.00	86.45	0.00	122.55	31,793.00	259.43
Secured Creditors	0.00	0.20	0.00	1.10	0.00	1.30	354.50	272.69
Investigations								
CDDA Reports and Communication	0.00	0.00	0.00	0.60	0.00	0.60	72.00	120.00
Financial Review and Investigations	0.00	5.40	5.00	12.40	0.00	22.80	6,798.00	298.16
Realisation of Assets								
Book Debts	0.00	1.40	13.50	0.90	0.00	15.80	4,374.00	276.84
Freehold and Leasehold Property	3.20	21.80	13.00	32.95	0.00	70.95	23,591.50	332.51
Other Intangible Assets	0.00	1.60	0.60	2.00	0.00	4.20	1,349.50	321.31
Other Tangible Assets	0.00	0.90	5.60	14.20	0.00	20.70	5,518.00	266.57
Plant and Machinery, Fixtures and Motor Vehicles	0.00	1.00	0.30	4.30	0.00	5.60	1,075.50	192.05
Sale of Business	0.00	0.70	2.50	0.40	0.00	3.60	1,230.00	341.67
Operations	0.00	0.00	0.00	0.40	0.00	0.40	94.00	235.00
Total Hours:	13.20	162.40	367.80	1,221.55	0.00	1,764.95		241.35
Total Fees Claimed (£):	7,885.00	76,890.50	121,136.00	220,051.50	0.00		425,963.00	

Category 1 Disbursements

	Incurred (£)	Amount Paid (£)
Bank Charges	57.74	57.74
Books and Records	6.00	6.00
Conferencing	104.45	104.45
Courier	51.91	51.91
Total	220.10	220.10

Category 2 Disbursements

There have been no Category 2 Disbursements incurred in the Cumulative Period.

ACL 123 Limited (Formerly Axminster Carpets,Limited) (In Creditors' Voluntary Liquidation)
The Joint Liquidators' fees and expenses incurred during the Reporting Period and Cumulative Period

Company / Organisation	Expenses (as per Receipts and Payments Account)	Detail	Fee Basis	Costs Incurred in the Reporting Period (£)	Costs Incurred in the Cumulative Period (£)	Amount Paid to Date (£)
Accurate Mailing Services Limited	Stationary and Postage	Print and post correspondence to the Company's creditors and members.	Fixed Fee Per Unit	2,322.72	14,212.39	14,212.39
Addleshaw Goddard LLP	Legal Fees and Disbursements	Assist in pursuing monies owed in relation to related party loan accounts.	Time Costs		23,193.00	23,193.00
Barclays Bank Plc	Bank Charges	Charges incurred in relation to transactions through the Liquidation estate.	Fixed	50	215.32	215.32
Bond Dickinson LLP	Legal Fees and Disbursements	Investigations into property of the Company and other ad hoc legal matters.	Time Costs		28,548.60	28,548.60
British Gas Limited	Utilities	Gas suppliers at the factory site at Buckfast and adjacent land.	Fixed Charge Per Unit		2,465.09	2,465.09
Courts Advertising Limited	Statutory Advertising	Statutory advertising fees.	Fixed Fee Per Unit		479.92	479.92
Devpro 123 Limited	Legal Fees and Disbursements	Refund of legal fees paid on behalf of the Company.	Time Costs		5,000.00	5,000.00
Driver and Vehicle Licensing Agency	Vehicle Registration Fees	Annual registration costs of the Company's private registration number plates.	Fixed Fee Per Unit		200.00	200.00
HSBC Bank Plc	Bank Charges	Charges incurred in relation to transactions through the Liquidation estate.	Fixed		12.20	12.20
JLT Specialty Limited	Insurance	Insurers of the Company's assets.	Fixed Fee		50,517.16	50,517.16
LB Group Limited	Accountants' Fees	Completing and submitting the Liquidation period Corporation Tax returns.	Time Costs	500	1,900.00	1,900.00
Lewis Dyson LLP	Tax Advisors' Fees	Completing and submitting the pre-appointment tax returns.	Time Costs		1,800.00	1,800.00
McKinlays Estate Agents	Property Agent	Instructed to market and sell the Land and Buildings at Silver Street and Willhay Lane, and 8 Gamberlake, Axminster.	Fixed Fee		1,000.00	1,000.00
Mr Leslie Tonkin	Property Maintenance Fees	Weekly security checks at the Town Mill.	Fixed Fee		1,542.00	1,542.00
Mr Paul Collings	Employee Medical Costs	Medical costs incurred on employees retained to assist in the sale of plant and machinery at the factory site at Buckfast, as per contractual obligations.	Fixed Fee		180.00	180.00
PAYCO ERA Limited	Payroll Agents' Fees	Assisting in dealing with preferential claims and liaising with RPS.	Time Costs		9,798.79	9,798.79
The Royal Bank of Scotland Plc	Bank Charges	Charges incurred in relation to transactions through the Liquidation estate.	Fixed		69.85	69.85
Shoosmiths LLP	Debt Collection Costs	Assisting in the collection of the Company's book debts.	Time Costs		2,875.00	2,875.00
South West Water Limited	Utilities	Water suppliers at the factory site at Buckfast and adjacent land.	Fixed Charge Per Unit		21.46	21.46
Squire Patton Boggs (UK) LLP	Legal Fees and Disbursements	Advise on pension matters and protective awards.	Time Costs	12,387.00	29,993.00	29,993.00
Tak Outsourcing Ltd	Debt Collection Costs	Assisting in the collection of the Company's book debts.	Fixed Fee and Commission		5,874.37	5,874.37
Total Data Management Limited	Storage	On-going storage for the books and records of the Company.	Fixed Fee Per Unit	308.06	1,288.54	1,288.54
Viridor Waste Management Limited	Property Maintenance Fees	Assisting in the removal of waste from the Buckfast site.	Fixed Fee Per Unit		2,010.00	2,010.00
Wedlake Bell LLP	Legal Fees and Disbursements	Advice regarding a marshalling exercise of inter-company debts.	Time Costs		10,513.50	10,513.50
The Joint Liquidators' choice of agent was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Liquidators' fee arrangement with them.				15,567.78	193,710.19	193,710.19

Appendix 2

The Joint Liquidators' Receipts and Payments Accounts

ACL 123 Limited (Formerly Axminster Carpets,Limited) (In Creditors' Voluntary Liquidation)
Joint Liquidators' Receipts and Payments Accounts

	For the Reporting Period from 27 February 2019 to 26 February 2020	For the Cumulative Period from 27 February 2014 to 26 February 2020
Asset Realisations	(£)	(£)
8 Gamberlake, Axminster	0.00	75,000.00
Administration Trading Debts	0.00	1,690.58
Bank Interest Gross	7,247.73	82,084.05
Book Debts	0.00	48,734.90
Employee Loans	0.00	660.85
Factory Site at Buckfast and Adjacent Land	0.00	250,000.00
Refunds	0.00	3,806.81
Rural Land Entitlements	0.00	3,679.78
Shares and Investments - Previculta Ltd	0.00	36,999.26
Town Mill	0.00	50,000.00
Transfer from Administration	0.00	4,519,733.50
Vehicle Registrations	0.00	700.00
	<u>7,247.73</u>	<u>5,073,089.73</u>
Cost of Realisations		
Joint Administrators' Disbursements	0.00	(22,659.91)
Joint Administrators' Remuneration	0.00	(396,545.00)
Joint Liquidators' Disbursements	0.00	(220.10)
Joint Liquidators' Remuneration	0.00	(260,000.00)
Pre-Insolvency Disbursements	0.00	(8,204.99)
Pre-Insolvency Remuneration	0.00	(75,000.00)
Bank Charges	(50.00)	(347.40)
Debt Collection Costs	0.00	(8,749.37)
Employee Medical Costs	0.00	(180.00)
Insurance	0.00	(50,252.16)
Legal Fees and Disbursements	(12,387.00)	(109,635.10)
Payroll Agents' Fees	0.00	(9,798.79)
Property Agents' Fees	0.00	(1,000.00)
Property Maintenance Fees	0.00	(3,552.00)
Stationery and Postage	(2,322.72)	(16,535.11)
Statutory Advertising	0.00	(479.92)
Storage	(308.06)	(1,596.60)
Tax Advisors' Fees	(500.00)	(4,200.00)
Utilities	0.00	(2,486.55)
Vehicle Registration Fees	0.00	(200.00)
	<u>(15,567.78)</u>	<u>(971,643.00)</u>
Floating Charge Creditor		
Floating Charge Creditor	0.00	12.25
	<u>0.00</u>	<u>12.25</u>
Preferential Creditors		
Employee - Arrears and Holiday Pay	0.00	(34,294.90)
HM Revenue and Customs - Tax and NI Deductions on Dividend	0.00	(30,023.64)
PAYE and NI	0.00	(2,289.48)
Redundancy Payments Service - Arrears and Holiday Pay	0.00	(106,785.57)
	<u>0.00</u>	<u>(173,393.59)</u>
Non-Preferential Unsecured Creditors		
DTI Unclaimed Dividends	0.00	(7,526.95)
DTI Unclaimed Dividends Fee	0.00	(25.75)
Employee - Arrears and Holiday Pay	0.00	(45,322.23)
HM Revenue and Customs	0.00	(76,470.52)
Redundancy Payments Service - Arrears and Holiday Pay	0.00	(91,561.97)
Trade and Expense Creditors	0.00	(148,837.83)
	<u>0.00</u>	<u>(369,745.25)</u>
	<u>(8,320.05)</u>	<u>3,558,320.14</u>
Represented By		
Floating / Main Current Account		42,907.71
Deposit Account		3,170,000.00
Dividend Account		341,925.12
VAT Receivable		3,487.31
		<u>3,558,320.14</u>

Appendix 3

Statement of Creditors' Rights

STATEMENT OF CREDITORS' RIGHTS

Information for creditors on remuneration and disbursements of Joint Liquidators

Information regarding the fees and disbursements of Liquidators, including details of Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Liquidation A Creditors Guide to Insolvency Practitioners' Fees". This can be viewed and downloaded from the Duff & Phelps' website at <https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>. Should you require a copy, please contact this office.

Creditors have the right to request information from the Joint Liquidators under Rule 18.9 of the Rules

In accordance with Rule 18.9 of the Rules, secured creditors and unsecured creditors (with the concurrence of at least five percent in value of total unsecured claims) may make a request in writing to the Joint Liquidators for further information about the remuneration or expenses set out in this report. This should be done within 21 days of receipt of this report, after which the Joint Liquidators have 14 days to respond.

Creditors have a right to challenge the Joint Liquidators remuneration and expenses under Rule 18.34 of the Rules

In addition to the above, any secured creditor, or any unsecured creditor (with the support of at least 10 percent in value of the unsecured creditors) or the permission of the Court, may apply to the Court on the grounds that the remuneration or basis fixed for the Liquidators' remuneration or the expenses incurred by the Joint Liquidators are considered to be excessive. In accordance with Rule 18.34 of the Rules, this application must be made no later than eight weeks after receipt of the final account, where the charging of the remuneration or the incurring of expenses in question occurs.

Appendix 4

Proof of Debt Form

PROOF OF DEBT - GENERAL FORM

ACL 123 Limited (Formerly Axminster Carpets,Limited)
(In Creditors' Voluntary Liquidation)
 Company Number: 00324654

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
11.	If you wish any dividend payment that may be made to be paid in to your bank account please provide BACS details. Please be aware that if you change accounts it will be your responsibility to provide new information	Account No.: Account Name: Sort code:
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO

Appendix 5

Fee Estimate

ACL 123 Limited (Formerly Axminster Carpets,Limited) (In Creditors' Voluntary Liquidation)

Analysis of the Joint Administrators' Fee Estimate for the period 27 February 2020 to 26 February 2021

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration and Planning							
Case Review and Case Diary Management	1.00	1.50	0.00	1.50	4.00	1,935.00	483.75
Cashiering and Accounting	0.00	0.50	0.00	1.00	1.50	535.00	356.67
IPS Set Up and Maintenance	0.00	2.00	0.00	1.00	3.00	1,300.00	433.33
Statutory Matters (Meetings, Reports and Notices)	1.00	8.00	2.00	4.00	15.00	6,710.00	447.33
Strategy, Planning and Control	0.00	0.50	0.00	0.00	0.50	255.00	510.00
Tax Compliance / Planning	0.00	1.00	1.00	0.00	2.00	890.00	445.00
	2.00	13.50	3.00	7.50	26.00	11,625.00	447.12
Creditors							
Communications with Creditors / Employees	0.00	2.00	0.00	2.00	4.00	1,580.00	395.00
Non-Preferential Creditors / Employee Claims Handling	0.00	0.50	0.50	0.50	1.50	585.00	390.00
	0.00	2.50	0.50	2.50	5.50	2,165.00	393.64
Total Hours:	2.00	16.00	3.50	10.00	31.50		437.78
Total Fees Claimed (£):	1,200.00	7,680.00	1,190.00	1,816.70		13,790.00	

Appendix 6

Fees Narrative

ACL 123 Limited (Formerly Axminster Carpets,Limited) (In **Creditors' Voluntary Liquidation**)
(**"the Company"**)

Benjamin Wiles and Geoffrey Bouchier of Duff & Phelps were appointed Joint Liquidators of the Company on 27 February 2014.

Introduction

The following information is provided to creditors to enable them to consider and approve the Joint Liquidators' remuneration. It is a summary of key issues to assist creditors in understanding the strategy of the Joint Liquidators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Liquidators' Progress Report to Creditors dated 21 April 2020, which provides further details of the assets, liabilities and estimated return to creditors, if any. Reference is made to the Appendices entitled 'Analysis of Time Charged and Expenses Incurred' and 'Fee Estimate'.

Estimated Fees

In accordance with the Modified Proposals it was agreed that the Joint Liquidators' fees be based on Duff & Phelps' time costs properly incurred.

The time costs estimated to be incurred by the Joint Liquidators over the next year of the Liquidation to 26 February 2021, assuming no significant change in the legal proceedings of the PPF, is detailed at Appendix 3 'Fee Estimate' and total £13.8k.

The Joint Liquidators propose, however, to cap their total fees for the next year of the Liquidation at £10,000, on the basis that the final claim of the PPF will not be established during that time and the final distribution to creditors will not be paid. Should that position alter there will be a requirement for a further application for fees, during the next year.

Taking the above into account, the Joint Liquidators are seeking formal approval from creditors for a fee of £10k (against estimated total time costs of £13.8k) via a Vote by Correspondence Decision Procedure.

The ability for the Joint Liquidators to draw fees is dependent on asset realisations and the authority of creditors. Creditors are asked, therefore, to approve the Joint Liquidators' fee total of £10k based on the explanation provided herein.

Please find below a summary of the key additional tasks incurred under each primary heading in the table for explanatory purposes.

Estimated Return to Creditors

Secured Creditors

All security creditors have been repaid in full.

Preferential Creditors

All preferential claims have been settled.

Non-Preferential Creditors

The Joint Liquidators have already paid a first distribution to non-preferential unsecured creditors and it is anticipated that there will be a further final distribution once the quantum of the claim of the PPF in respect of the Axminster Carpets Group Retirement Benefit Plan has been established. The quantum of the claim of the PPF is subject to litigation, which is expected to take a further year.

Therefore, the exact timing of the final dividend is unknown, but not thought to be in the next year.

Strategy

Administration and Planning

The role of a Liquidator is highly regulated, being required to conform to insolvency legislation, industry best practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, the Joint Liquidators are obliged to undertake many activities that do not provide a financial benefit to creditors.

In addition, throughout the course of the Liquidation, the Joint Liquidators will regularly review the strategy and complete case reviews every six months. These activities do not necessarily provide a direct financial benefit to creditors, however, these are necessary to ensure that the Liquidation runs efficiently.

The Joint Liquidators time costs in the Reporting Period in respect of Administration and Planning total £8.8k and comprise the following tasks:

- Undertaking treasury functions, in respect of receipts and payments of the Liquidation;
- Updating the Joint Liquidators' internal case management systems with creditor and case details;
- Internal strategic discussions and meetings and completing periodical case reviews;
- Dealing with tax compliance and tax returns; and
- Preparing annual progress reports to all creditors of the Company.

Total time costs estimated to be incurred for Administration and Planning in the next year total £11.6k. Future time costs are estimated to include the following future tasks:

- Undertaking treasury functions, in respect of receipts and payments of the Liquidation;
- Performing periodic and strategic case reviews at the intervals referred to above;
- Filing notices with Companies House at the relevant intervals;
- Dealing with tax compliance and tax returns;
- Preparing annual progress reports to all creditors of the Company; and
- Internal strategic discussions and meetings.

Creditors

The Joint Liquidators have a duty to respond to creditor queries and provide updates on the status of the Liquidation where requested. The Joint Liquidators time costs in the Reporting Period in respect of dealings with creditors total £4.1k and are split amongst the following tasks:

- Communications with Creditors / Employees, including correspondence with the PPF and their agents in respect of the ongoing litigation and resultant claim in the Liquidation.

The Joint Liquidators anticipate that they will incur further time costs of £2.2k in dealing with creditor queries over the next 12 months of the Liquidation to 26 February 2021. These costs are expected to be incurred in communicating with creditors, employees and the PPF.

Appendix 7

Notice of Decision Procedure and Voting Form

NOTICE OF DECISION PROCEDURE

Company Name: ACL 123 Limited (Formerly Axminster Carpets,Limited)
(In Creditors' Voluntary Liquidation) ("the Company")
Company Number: 00324654

This notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016. It is delivered by the Joint Liquidators of the Company, being Benjamin Wiles and Geoffrey Bouchier of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG (T: 020 7089 4700).

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. That, where a Creditors' Committee is not established, the Joint Liquidators' Fee Estimate, in the total sum of £13.8k to 26 February 2021 is approved.
2. That, the Joint Liquidators be authorised to draw a further £10k plus VAT in remuneration against their fee estimate in the total sum of £13.8k to 26 February 2021.

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a Proof of Debt Form if one has not already been submitted, must be completed and returned to the Joint Liquidators by one of the methods set out below:

By Post To: Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG
By Fax To: 020 7089 4701
By Email To: Marcus.Bassett@duffandphelps.com

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All voting forms and proof of debt forms must be delivered by 23.59 hours on the Decision Date, being 8 May 2020.

If the Joint Liquidators have not received a Proof of Debt Form by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within five business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules.
Any such appeal must be made not later than 21 days after the Decision Date.

Signed:  _____ Dated: 21 April 2020
Benjamin Wiles
Joint Liquidator

VOTE BY CORRESPONDENCE

ACL 123 Limited (Formerly Axminster Carpets,Limited) (**In Creditors' Voluntary Liquidation**)

Name of Creditor: _____

Address: _____

Decision:

1	That, where a Creditors' Committee is not established, the Joint Liquidators' Fee Estimate, in the total sum of £13,790 to 26 February 2021 is approved.	*For / Against
2	That, the Joint Liquidators be authorised to draw a further £10,000 plus VAT in remuneration against their fee estimate in the total sum of £13,790 to 26 February 2021.	*For / Against

* Please delete as applicable to indicate your voting instructions

Signed: _____ Dated: _____

Name in capitals: _____

Position with, or relationship to, creditor or other authority for signature: _____

Are you the sole member / shareholder of the creditor (where it is a company)? Yes / No

NOTE: Once a vote has been cast, it cannot be changed.

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 hours on 8 May 2020 by:

Post: Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG

Fax: 020 7089 4701

Email: Marcus.Bassett@duffandphelps.com

Appendix 8

Notice of Invitation to Form a Liquidation Committee

Notice of Invitation to Form a Liquidation Committee

Company Name: ACL 123 Limited (Formerly Axminster Carpets,Limited)
(In Creditors' Voluntary Liquidation) ("the Company")
Company Number: 00324654

This Notice is given under Rule 6.19 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by Benjamin Wiles, Joint Liquidator of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to Benjamin Wiles by one of the following methods:


By post to: Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG
By fax to: 020 7089 4701
By email to: Marcus.Bassett@duffandphelps.com

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All nominations must be delivered by: 23:59 hours on 8 May 2020

Nominations can only be accepted if Benjamin Wiles is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Liquidation Committees, go to: R3 website:
<https://www.r3.org.uk/liquidation-creditors-committees-and-commissioners-a-guide-for-creditors>

Signed: 
Benjamin Wiles
Joint Liquidator

Dated: 21 April 2020

Nominations for Members of a Liquidation Committee

On behalf of (name of Creditor): _____,

at (address of Creditor): _____,

I nominate the following creditor(s) to be member(s) of a Liquidation Committee (provide name(s) and address(es)):

1. _____
2. _____
3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a company)?

☐ Yes / ☐ No