

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



AADJV4KA

A08

22/09/2021

#12

COMPANIES HOUSE

1 Company details

Company number 0 3 1 4 9 8 5 1
Company name in full The Derby Fireplace Company Limited

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

2 Liquidator's name

Full forename(s) Lucinda
Surname Matkin

3 Liquidator's address

Building name/number Cromford Creative
Street Cromford Mills
Mill Road
Post town Cromford
County/Region Derbyshire
Postcode D E 4 3 R Q
Country UK

4 Liquidator's name ①

Full forename(s)
Surname

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

5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

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

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	d 2	d 7	m 0	m 6	y 2	y 0	y 2	y 0
To date	d 2	d 6	m 0	m 6	y 2	y 0	y 2	y 1

7 Progress report

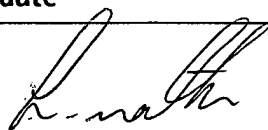
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d 2	d 4	m 0	m 8	y 2	y 0	y 2	y 1
-----	-----	-----	-----	-----	-----	-----	-----

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	Lucinda Matkin
Company name	The Derby Fireplace Company Ltd
c/o	LM Insolvency and Advisory Ltd
Address	Cromford Creative
	Cromford Mills
	Mill Road
Post town	Cromford
County/Region	Derbyshire
Postcode	D E 4 3 R Q
Country	UK
DX	
Telephone	07972928153



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



INSOLVENCY

LM Insolvency & Advisory
Ltd
Cromford Creative
Cromford Mills
Mill Road
Cromford
Derbyshire DE4 3RQ

THE DERBY FIREPLACE COMPANY LIMITED - IN CREDITORS VOLUNTARY LIQUIDATION ("the Company")

ANNUAL PROGRESS REPORT TO CREDITORS PURSUANT TO
RULES 18.3 & 18.7 OF THE INSOLVENCY RULES (ENGLAND AND
WALES) 2016 (AS AMENDED)

24 AUGUST 2021

FOREWORD

This report relates to the above appointment and has been prepared for the sole purpose of updating the Creditors for information purposes. 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 for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

CONTENTS

-
1. Appointment & Contact details
 2. Liquidator's Progress, including liquidator's receipt and payment account
 - 2.1 Financial Progress
 - 2.2 Non-Financial Progress
 3. Liquidator's Remuneration and expenses
 4. Outcome for Creditors
 5. Other matters and Information to assist creditors
 6. Conclusion
-

APPENDICES

Appendix 1 - Statutory Information

Appendix 2 - Liquidator's receipts and payments account for the period 27 June 2020 to 26 June 2021

Appendix 3 - Expenses

Appendix 4 - Liquidator's remuneration

ABBREVIATIONS AND DEFINITIONS

For the purposes of this report the following abbreviations and definitions shall be used:

Abbreviation or definition	Meaning
"the Act"	Insolvency Act 1986 (as amended)
"the Rules"	Insolvency Rules (England and Wales), 2016 (as amended)
"IR 2016"	
"IR16"	
"the Liquidator"	Lucinda Matkin of LM Insolvency & Advisory Limited, Cromford
"We"	Creative, Cromford Mills, Mill Road, Derbyshire DE4 3RQ
"Our"	
"the Company"	The Derby Fireplace Company Limited
"LM Insolvency"	LM Insolvency & Advisory Ltd
"Firm"	
"SIP7 (E&W)"	Statement of Insolvency Practice 7 (England & Wales)
"SIP9 (E&W)"	Statement of Insolvency Practice 9 (England & Wales)
"CVL"	Creditors Voluntary Liquidation
"HMRC"	HM Revenue & Customs
"Prescribed Part"	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA1986 and the Insolvency Act 1986 (Prescribed Part) Order 2003
"Secured creditors"	Creditors with security in respect of their debt, in accordance with Section 248 IA86
"Preferential creditors"	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
"RPS"	Redundant Payment Service, an executive agency sponsored by the Department of Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Act 1996
"Unsecured creditors"	Creditors who are neither secured nor preferential

1. APPOINTMENT & CONTACT DETAILS

The Proceedings

The Derby Fireplace Company Limited – in CVL ("the Company")

Registered Number: 03149851

The Officeholder

Officeholder:	Lucinda Matkin, Lucinda Matkin is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.
Appointment held:	Liquidator
Address of officeholder/Liquidator:	Cromford Creative, Cromford mills, Mill Road, Derbyshire DE4 3RQ
Email:	lucinda@lminsolvency.co.uk
Telephone:	07972918153

Appointment

Date of appointment: 27 June 2016

There have been no changes in officeholder since appointment.

Electronic communication with creditors

In accordance with section 246B of the Act and Rule 1.49 of the Rules, in an effort to reduce the costs of the Liquidation, all future communications with creditors, including updates and further progress reports, will be posted onto the website www.myinsolvencyreport.com which has been set up specifically for this purpose.

For your reference, Annual progress reports are due within 2 months of the anniversary of the commencement of the Liquidation.

2. LIQUIDATOR'S PROGRESS

Introduction

This report has been prepared in accordance with Rules 18.3 and 18.7 of the Rules to provide creditors with an update on the progress of the liquidation of the Company, and an explanation of the work done in the 12 months since my last annual progress report

Given the information previously provided to creditors in my last annual progress report, I have not included detailed background information in respect of the Company or the progress in previous years and I have focused on the progress of the liquidation during this period from 27 June 2019 to 26 June 2020

This is our third progress report. You may wish to refer to our previous reports which can be found at www.lminsolvency.co.uk/portal

When we last reported, the key outstanding matters in the liquidation were as follows;

- Realise the remaining book debt
- Settlement of outstanding professional fees and expenses;
- Agreement of preferential creditor claims and payment of a dividend to preferential creditors; and
- Should funds permit, agreement of unsecured creditor claims and payment of a dividend to unsecured creditors; and
- Seek approval for further fees as previously notified
- Finalise statutory and compliance matters such as tax returns (and clearance), creditor reports and closure of internal systems.

2.1 FINANCIAL PROGRESS

Realisation of assets – Assets subject to a fixed

Property

In our previous report we reported on the Company's most significant asset was a property known as the Queens Hotel at 2 Arkwright Street, Nottingham NG2 2GD ("the Property") and an adjoining long leasehold car park (together "the Premises").

As previously reported the property was sold for £353,500 plus VAT, and the fixed charge holder Lloyds Bank plc. were paid in full, the sum of £266,458.19 on 31 March 2017, and taxes in relation to the property were paid last period.

There are no other fixed charged assets, or charges. (see secured creditors later in the report for further information).

Vehicle

As previously advised the Fiat Doblo was subject to a hire purchase agreement with Black Horse Finance was sold at auction by agents and auctioneers, and outstanding finance was repaid in full.

Realisation of assets – Assets not specifically pledged

As previously advised in my last annual report, the following assets were realised;

- Vehicles for £10,970 (plus VAT)
- Stock and plant & machinery for £51,074 plus VAT
- Cash in hand totaled £3,900
- Court Settlement £1,500
- Refund of Court fees £545
- Other refunds £1,289.54
- Book Debts £2,500; and
- Bank interest of £176.16

Book Debts

At the end of the last period one debtor of £777 remained outstanding. No debtors have been collected during this period.

Refunds from utilities have been followed up during the period, as statements of accounts showed a credit balance. These have been refunded during the period, and total £400.38. This refund brings all utility accounts to a close

Bank Interest

The only other asset realisation in the period relates to gross bank interest received, totaling £4.11, bring the total interest during the liquidation to £180.27

Our Receipts and payments account

The liquidator's Receipts and Payments account has been prepared in accordance with Rules to provide an update from 27 June 2020 to 26 June 2021, and in accordance with SIP7 (E&W), showing £19,290.40 in hand.

Estimated future realisations

Book Debts

As mentioned earlier £777 of debts remain outstanding and currently deemed collectible.

Unrealised Assets

There are currently no assets that we are classing as unrealised.

Costs incurred but which yet remain unpaid

We are not aware of any costs incurred during the period of this report, but which as yet remain unpaid.

Further details in respect of the Liquidator's costs are included in Section 4 and Appendix 2.

2.2 NON-FINANCIAL PROGRESS

The work undertaken by the liquidator has been categorized into areas of work and sub categories;

Statutory and compliance

A liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes the regulatory requirements associated with ongoing reporting requirements and closure

During this period, the Liquidator has continued to report to creditors and the registrar of Companies.

Creditors should note that this work will not necessarily bring any financial benefit to creditors, but is on every case by statute.

Administration (including cashiering and taxation)

A liquidator must also complete a number of administrative tasks associated with appointment and case management, the majority of this work has previously been complete, albeit the liquidator continues to undertake monitoring and reviewing the case progress and strategy, general cashiering such maintaining the estate cash book and bank accounts and dealing with insurance, pensions and taxation matters.

During this period, the Liquidator has continued to manage the general administration of the liquidation.

VAT Matters

The final VAT return for the amount of £679.00 due to the company, has been submitted and we await a payment of these funds.

Employees

Redundancies

The Company employed 11 members of staff including 3 directors. All staff were made redundant on appointment.

All redundancy claims have been submitted by employees and processed by the Redundancy Payments Office.

Preferential Claims

A liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation in order to enable employees to claim monies they are entitled to from Redundancy Repayments Office including Redundancy pay, pay in lieu of notice, arrears of wages and outstanding holiday pay. Information is gathered from the company to clarify and confirm the employees claims, as well as corresponding with the Redundancy Payments office to enable payment of an element from them. Employees may also claim further monies from the liquidation as a preferential and or unsecured creditor. As such this work does not bring financial benefit to the liquidation but is essential to assess creditors' claims from the employees and government bodies, as well as providing valuable information to employees on what's happening their current position.

We previously advised we were in a position to make a payment to preferential creditors which includes the RPO and may include employees. See section 4 for further details and an update on any distribution.

Property

In addition to the company operating from freehold premises at the Queens Hotel, 2 Arkwright Street, Nottingham, the Company also operated from two leasehold premises, as previously reported these were surrendered by an operation of law in 2016. We consider all matters with leasehold premises to be finalised.

Creditors (Claims and distributions)

Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report.

Investigations and actions

As part of the Liquidator's statutory duties, an investigation into the conduct of the Company, directors and shadow directors has been completed.

In this regard, a confidential final report was submitted to the Insolvency Service on 11 October 2016. As this is a confidential report, I am unable to disclose the contents. No further action is being taken against the directors.

There are no criminal proceedings or further ongoing investigations, and I advise that there are no asset realisations that may be pursued by me for the benefit of creditors that have come to light since my last report. Nothing has come to my attention during the period under review to suggest that we need to do any more work in line with my duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice 2

Since my last progress report, I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

3. LIQUIDATOR'S REMUNERATION & EXPENSES

Liquidator's remuneration / Our fees

We set out in Appendix 4 an update on our fees, disbursements

Basis of Remuneration

In summary, the basis of the Liquidator's remuneration was fixed by the creditors at a meeting by correspondence held on 26 August 2016.

The meeting of creditors by correspondence passed several different resolutions for my remuneration to be based on a combination of time costs and percentage basis, these are referred to further in Appendix 4, together with details of the percentage rates and realisations or distributions to which they relate, time costs incurred, and hourly rates and work undertaken.

The table below summarises the remuneration estimated, approved and drawn, however the table should read in conjunction with Appendix 4 for further information;

Fee Basis	For dealing with	Estimated Fees approved* (£)	Actual /incurred time costs in the period	Total Actual/ incurred time costs	Fees Drawn in the period (£)	Total Fees drawn (£)	Approved fees not drawn £	Estimated Future Fees (£)	Anticipated total Fees (£)
Time Cost Basis **	Statutory and Compliance, Administration and Planning, Employees to 31 July 2016	£6,197	Nil	£6,197	Nil	£6,197	Nil	Nil	£6,197
Time Cost Basis **	Statutory and Compliance, Administration and Planning, Employees From 1 August 2016 onwards	£27,682	£3427.50	54223	Nil	£27,682	Nil	Nil	£27,682
Percentage Basis ***	Asset Realisation, and Debtors	£8,517 (% but dependent on realisations)	% basis: Nil Time: £142.50	% basis: £9,485 Time: £7180	Nil	£9485	Nil	177 from debtors and refunds	£9,635
Percentage Basis ***	Creditors	Uncertain, (% but dependent on realisations)	% basis: 10% of nil distributed Time: Nil	% basis: 10% of nil distributed Time: £4975	Nil	Nil	% basis: 10% of Nil	£1,250	£1,250
Total estimated approved fees		£42,396+							
Total Time costs incurred in the period			Time: £3570						
Total fees drawn in the period					Nil				
Total time costs incurred in the liquidation				Time: £72,575					
Total fees drawn in the liquidation						£43,364			
Total approved fees not drawn							Nil		

*The resolutions approving the fees are listed in Appendix 3

** Details of the hours charged, hourly rates and the work undertaken are detailed in Appendix 3

***Full details of the different percentage rates approved by creditors are listed in Appendix 3

Numerous activities have been undertaken by ourselves and our staff in dealing with the liquidation. A number of tasks are generic to every liquidation and a summarised list of these activities is attached in Appendix 4 for your information. During this last year there have been some delays due to the impact of covid-19. The impact is discussed further later in this report.

Exceeding Estimate

Details about the work I anticipated would need to be done for each of the areas of work, was outlined to creditors in my initial fees estimate/information.

All estimates were made on the assumption that the liquidation will be concluded within two years and represents the maximum fees that the Liquidator is allowed to charge unless further sanction is obtained from creditors. Where the basis of the Liquidator's fees are by reference to time properly spent, by my staff and I in managing the liquidation, if the actual time taken is less than the estimates, then only the time actually incurred will be billed and drawn. Equally, where the basis of the Liquidator's fees is on a percentage basis, if the actual time costs incurred are more, only those fees approved under the percentage basis can be billed and drawn.

Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator, as well as impacts of covid-19.

As previously reported, in this matter the Administrative costs and statutory costs are higher due to;

- the liquidation lasting longer than two years.
- Primarily an increase in the firms charge out rates during previous periods; and
- As previously advised additional administrative work in planning, strategy and control of the liquidation due to the protracted sale of the property, 2 Arkwright Street
- Additional work gathering information and assessing the position in respect of taxes; for chargeable gains and opting to tax in respect of the property

In addition, in the last two years costs have increased due to;

- Delays due to covid-19

Appendix 4 provides further details on the time costs.

Further Approval of Fees

We previously advised, the fee estimate had been exceeded, but we did not seek sanction to increase our fees, in order to enable a dividend to preferential creditors of 100p in the £. At the time of my last report, we considered this to be fair and reasonable given the firms charge out rates increased during that period, after the fee estimate was agreed.

However, we have incurred further year of time costs totaling £3,427.50 during this period in respect of administration and statutory work, we also have further work to be completed. We previously advised we had already exceeded the estimated limit, and that we intended to seek sanction to increase this fee, full details of which shall be sent to creditors under separate cover, after the preferential creditors have been paid. We anticipate writing to creditors prior to the year end to declare a dividend to preferential creditors and to seek approval of liquidators fees.

Our expenses

We set out in Appendix 2 a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as a liquidation expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Creditors Rights

Please also find a link to a "A Creditors' Guide to Liquidators' Remuneration" for your information <https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditor-fee-guide-6-april-2017.ashx?la=en> Please ensure you download the correct version for the date of appointment. Should you require a paper copy, please send your request in writing to the Liquidator at the address on the front of this report and this will be provided to you at no cost.

Creditors' right to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with permission of the Court, may, in writing, request the Liquidator to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.4(1)(f)(i) and 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with permission of the Court, may apply to the Court for one or more orders (in accordance with 18.4(1)(f)(ii) and 18.34 of the Rules), reducing the amount or the basis of remuneration which the Liquidator is entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report, detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

4. DISTRIBUTION TO CREDITORS

How much creditors may receive

The following table summarises the possible outcome for the preferential and unsecured creditors*, based on what we currently know. Below we explain what recoveries the secured creditors are expected to make from assets subject to the security granted in their favour by the Company.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	100p	100p
Preferential creditors	100p	100p
Unsecured creditors	Nil	Nil

***The estimate is subject to change, and will depend on the final liquidation costs*

Further information for each class of creditor is provided below.

Secured creditors

The Company granted a fixed and floating charge over all property and assets, present and future including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery by way of debenture dated 8 April 2004, and a fixed charge over the freehold property being Queens Hotel, 2 Arkwright Street, Nottingham dated 15 April 2004, both to Lloyds TSB Bank plc, in respect of an overdraft and loan.

As previously advised Lloyds Bank plc has been repaid in full totaling £266,458.19 (being the balance of the loan and overdraft plus interest), from the sale of the property.

Removal of charges

As part of the closure process, Ellis Fermor was asked to remove the charges and/or mark as satisfied on Companies House following the payment to the fixed charge holder in full. The mortgage deed has been updated as satisfied, although Lloyds previously confirmed that the although the indebtedness had been repaid in full, they shall retain the debenture until dissolved.

Preferential creditors

Preferential claims are limited to arrears of employees' wages (up to a maximum of £800 per person) and any outstanding holiday pay.

The Redundancy Payments office have submitted a preferential claim for £10,782.32

ERA specialist, Evolve were previously instructed to calculate the balancing claims for employees based on the company records and claims submitted to the RPO. These claims totaled £1,720.39. The Liquidator has not received any preferential claims, directly from employees.

We were planning to issue a notice of intention to declare a dividend but due to the outbreak of covid-19 some individuals / companies have disputed services and delayed responses, and we do not want them to miss the deadline for submitting proofs. We urge any creditor that has not

submitted a proof of debt to do so. We aim to declare a dividend to preferential creditors by the end of the year.

We anticipate the dividend to preferential creditors to be 100p in the £.

Prescribed Part

Pursuant to Section 176A of the Insolvency Act 1986, as amended, ("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 ("the Prescribed Part")

This provision shall not apply as Lloyds Bank plc were paid in full under their fixed charge, as such there are no outstanding liabilities due to a qualifying floating charge holder by the Company. Therefore, the Prescribed Part will not apply.

Unsecured creditors

As at 21 June 2016 the Company's unsecured non-preferential creditors totaled £510,785 the largest being the directors loan account of £334,525, followed by redundancy costs (redundancy pay, pay in lieu of notice and arrears of wages) at £94,849.

Some creditors amounts shown may differ from the actual amount owed. This does not affect the ability of creditors to submit a different claim in the Liquidation.

Claims from unsecured creditors of the Company, have not yet been agreed. These will be agreed should funds become available for a distribution to unsecured creditors. Any dividend distribution to unsecured creditors will be depend on the claims of preferential creditors due to be paid, the realisations of book debts and final costs of the liquidation.

Small Claim Scheme

From April 2016, I have had the discretion to admit claims from creditors under £1,000 without receiving a proof of debt. As yet, I can confirm that no claims have been admitted under the small claim provisions.

Any creditor believing that the amount due to them is different from that shown above should contact this office as soon as possible to ensure that this is updated in my files.

5. WHAT REMAINS TO BE DONE

Assets

As per section 2 of this report, Estimated Future Realisations, the liquidator is still pursuing one outstanding book debt. The Liquidator will continue to pursue these debts, and will take appropriate action should the debtors not offer to discharge their liabilities.

Next steps

The following is a summary of key issues remaining;

- Realise the remaining book debt
- Settlement of outstanding professional fees and expenses;
- Agreement of preferential creditor claims and payment of a dividend to preferential creditors; and
- Should funds permit, agreement of unsecured creditor claims and payment of a dividend to unsecured creditors; and
- Seek approval for further fees as previously notified
- Finalise statutory and compliance matters such as tax returns (and clearance), creditor reports and closure of internal systems.

Appendix 4 provides further information on the tasks to be completed.

OTHER MATTERS

Connected party transactions SIP 13 (E&W)

In accordance with the guidance given in SIP13 (E&W), I confirm that no transactions with connected parties have taken place during the period of this report.

EC Regulations

Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

Next Report

I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account

If you require any further information please contact the office on the front of this report, or email Lucinda@lminsolvency.co.uk

Yours faithfully
For and on behalf of
The Debry Fireplace Company Limited - In CVL



Lucinda Matkin
Liquidator

APPENDIX 1– Statutory Information

Company name:	The Derby Fireplace Company Limited
Previous names:	N/a
Proceedings:	In Liquidation
Date of Appointment:	27 June 2016
Liquidator(s):	Lucinda Matkin LM Insolvency & Advisory Ltd Cromford Creative Cromford Mills Mill Road Derbyshire DE4 3RQ
Nature of business:	Retail
Date of Incorporation:	23 January 1996
Registered Number:	03149851
Trading names:	The Derby Fireplace Company Ltd
Registered office:	c/o LM Insolvency & Advisory Limited, 3 Greenhill, Wirksworth, Matlock Derbyshire DE4 4EN
Trading address:	Formerly: Wyvern Way, Wyvern Retail Park A52, Derby, Derbyshire DE21 6NZ Wyvern Way, Wyvern Retail Park A52, Derby, Derbyshire DE21 6NZ
Directors at date of Appointment:	Keith Harrison Michael Harrison Tracy L Harrison Gavin G T Wride (resigned 29/01/2016)
Company Secretary:	Keith Harrison
Shareholders:	Keith Harrison – 3 Ordinary Share Michael Harrison – 1 Ordinary Share
Bankers:	Lloyds Bank plc
Auditors:	N/a

APPENDIX 2 – Receipts and payments

The Derby Fireplace Company Limited – In creditors' voluntary liquidation

Summary of the financial information as at 26 June 2020

	Statement of Affairs	From 27/06/16 to 26/06/20	From 27/06/20 to 26/06/21	Total
	£	£		£
Receipts				
Property	450,000	353,500	-	353,500
HP vehicles	3,620	3,720	-	3,720
Motor Vehicles	12,240	10,970	-	10,970
Stock, and P&M	62,360	50,174	-	50,174
Cash in hand	3,900	3,900	-	3,900
Debtors	1,525	2,500	-	2,500
Contingent	-	1,500	-	1,500
Refunds	-	1,834	401	2,235
Interest (gross)	-	176	4	180
VAT	-	20	-	20
		428,294	405	428,699
Payments				
Fixed Charge holder Distribution	263,794	266,458	-	266,458
HP Creditor Distribution	2,104	2,104	-	2,104
Liquidators Fixed Charge Fee	-	35,722	-	35,722
Fixed Charge Legal Fees	-	2,680	-	2,680
Fixed charge Agent Fees	-	6,007	-	6,007
Fixed Property costs	-	2,965	-	2,965
Pre Appointment Fees	-	-	-	-
Sof A Fee	-	-	-	-
Liquidators Fees	-	43,364	-	43,364
Liquidators Cat1 Disbursements	-	587	-	587
Liquidators Cat2 Disbursements	-	94	-	94
Online Reporting	-	21	-	21
Postage	-	151	-	151
Stationary	-	122	-	122
Legal Fees	-	2,618	-	2,618
Agents Fees	-	22,604	-	22,604
Professional Fees	-	2,715	-	2,715
Statutory Advertising	-	395	-	395
Bonding	-	3,600	-	3,600
Insurance	-	4,771	-	4,771
Site Clearance & Security	-	1,015	-	1,015
Director	-	10,148	-	10,148
Storage	-	120	377	497
VAT	-	698	75	773
		408,959	452	409,411
Balance in Hand		19,335	47	19,288
Funds in Hand				19,288
VAT Receivable				679
Total Funds				19,967

*All figures are stated as exclusive of VAT

APPENDIX 3 – Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and includes our fees, but It does not include distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix 1, which shows expenses actually paid during the period and the total paid to date.

	Brought forward from preceding period £	Unpaid expenses b/f £	Incurred in the period under review £	Paid in the period under review £	Unpaid expenses as at 26/06/20 £	Cumulative £	Estimated future £	Anticipated total £
Statement of affairs Fee	-	-	-	-	-	-	-	-
Pre-Appointment Fees	-	-	-	-	-	-	-	-
Liquidators Fixed Charge Fees	35,722	-	-	-	-	35,722	-	35,722
Fixed charge legal fees	2,680	-	-	-	-	2,680	500	3,180
Fixed charge agent fees	6,007	-	-	-	-	6,007	-	6,007
Other fixed charge property costs	2,965	-	-	-	-	2,965	-	2,965
Liquidator's Fees (Time costs – Res 1&2)*	33,879	-	-	-	-	33,879	-*	33,879*
Liquidator's Fees (% Basis – Res 3&4)**	9485	-	-	-	-	9,485	1,327**	10,812**
Director (% basis)	10,148	-	-	-	-	10,148	-	10,148
Postage	550	-	64	-	64	614	128	742
Stationary	216	-	28	-	28	244	56	300
Mileage	189	-	-	-	-	189	-	189
Statutory Advertising	395	-	-	-	-	395	73	468
Storage	73	-	77	377	(300)	150	300	450
Bonding	3,600	-	-	-	-	3,600	-	3,600
Online Reporting	21	-	-	-	-	21	-	21
Agents Fees	21,989	-	-	-	-	21,989	-	21,989
Legal Fees	2,618	-	-	-	-	2,618	-	2,618
ERA Fees	1265	-	-	-	-	1,265	300	1,265
Accountants Fees	1450	-	-	-	-	1450	-	1,450
Insurance	4,771	-	-	-	-	4,771	-	4,771
Site clearance & Security	1,015	-	-	-	-	1,015	-	1,015

Site	615	-	-	-	-	615	-	615
Maintenance								
Total	139,653	-	169	377	(208)	139,653	2,684	142,206

**The Liquidators fees shown are based on those currently approved. In addition, the approved fees are shown in the table above, as opposed to actual time costs which are higher*

***Liquidator's fees on a percentage basis are subject to asset realisations and creditors distributions, and assumes the realization of £770 debtor, and distribution to preferential creditors of £12,502. It does not account for a distribution to unsecured creditors, or any increase in liquidators fees*

APPENDIX 4 – Remuneration update

Fee approval

The meeting of creditors by correspondence held on 26 August 2016 passed several different resolutions for my remuneration to be based on a combination of time costs and percentage basis, the resolutions passed were;

- 1) **Fee Resolution 1: Commencement of liquidation to 31 July 2016 – Administrative, Statutory, Investigations and Employees** - The Liquidator's fees for dealing with Administrative, Statutory and compliance matters, investigations and employees be calculated by reference to the time properly given by the Liquidator (and their staff at the appropriate skill level) in attending to these matters arising in the insolvency from commencement (27 June 2016) to 31 July 2016, and the Liquidator be authorised to draw fees on account, as and when funds permit, if available.
- 2) **Fee Resolution 2: From 1 August 2016 to completion of the liquidation – Administrative, Statutory, Investigations and Employees** - The Liquidator's fees for dealing with Administrative, Statutory and compliance matters, investigations and employees be calculated by reference to the time properly given by the Liquidator (and their staff at the appropriate skill level) in attending to these matters arising in the insolvency from 1 August 2016 to completion, and the Liquidator be authorised to draw fees on account, as and when funds permit, if available.
- 3) **Fee Resolution 3: Commencement of the liquidation to completion – Asset Realisations and Debtors** - The Liquidator's fees for dealing with Asset Realisations and Debtors be calculated by reference to a percentage of Gross realisations in attending to these matters arising in the insolvency from commencement of the liquidation to completion, and the Liquidator be authorised to draw fees on account, as and when funds permit, if available.
- 4) **Fee Resolution 4: Commencement of the liquidation to completion – Dividends/Distributions and Creditors** - The Liquidator's fees for dealing with Dividends/ Distributions and all Creditors be calculated by reference a percentage of distributions to preferential and unsecured creditors (at 10%) in attending to these matters arising in the insolvency from commencement of the liquidation to completion, and the Liquidator be authorised to draw fees on account, as and when funds permit, if available.
- 5) **Fee Resolution 5: Commencement of the liquidation to completion – Liquidator's Category 2 Disbursements** - The basis of the Liquidator's category 2 disbursements be approved and that the disbursements may be reimbursed to the Liquidator as and when funds permit.

We report on each fee basis / resolution in turn.

Fees approved on Time Cost Basis

Resolutions 1 and 2 are on a time cost basis

Resolution 1

Fee Resolution 1: Commencement of liquidation to 31 July 2016 – Administrative, Statutory, Investigations and Employees – No time costs have been incurred in respect of this resolution or fees drawn under this resolution during the period.

As previously reported, Fees drawn under resolution 1 total £6,197.00 and were drawn in the previous periods, and have been drawn in full.

Resolution 2

Fee Resolution 2: From 1 August 2016 to completion of the liquidation – Administrative, Statutory, Investigations and Employees - The Liquidator's total post appointment time costs for the period of the liquidation from 27 June 2020 to 26 June 2021 in respect of the Company, for dealing with Administration and Statutory matters, investigations and employees total £3,427.50 plus VAT, which represents 12.3 hours charged on this case at an average rate of £278.66 per hour.

Total Time Costs

Our total time cost fees under resolution x and x are summarised in the table below;

Fee Basis	For dealing with	Estimated Fees approved* (£)	Actual/ incurred Time costs	Fees Drawn (£)	Approved fees not drawn £	Estimated Future Fees (£)	Anticipated total Fees (£)
Resolution 1 - Time Cost Basis	Statutory and Compliance, Administration and Planning, Employees	6,179.00	6,179.00	6,179.00	Nil	Nil	6,179.00
Resolution 2 - Time Cost Basis	Statutory and Compliance, Administration and Planning, Employees	27,681.75	£3,427.50 for the period of the report, £54,223 in total	£27,681.75	Nil	7,000	£57,795.50
Total estimated & approved time costs		33,860.75					
Total time costs incurred to date			54,223				
Total fees drawn				33,860.75			
Total approved fees not drawn to date					Nil		

In considering the remaining work to be done in this liquidation, I currently anticipate that my time costs for dealing with administration, statutory matters, investigations and employees to completion of the liquidation will be approximately a further £3k in respect of administration and planning and £4k for statutory matters, being mainly annual reporting and closure. I will update creditors on this in my next progress report, or under separate cover in respect of any request for an increase in fees, after preferential creditors have been paid.

Fees approved on Percentage Basis

Resolutions 3 and 4 are on a percentage basis

Resolution 3

Fee Resolution 3: Commencement of the liquidation to completion – Asset Realisations and Debtors - The following scale was approved for fees on a percentage basis, in respect of asset realisations and debtors

Asset	Declared	Not Declared
Cash and equivalents, all fixed assets including Plant & Machinery, Vehicles, Stock and Work in Progress (which are unlikely to be disputed, but may need assistance from agents)	10%	15%
Other assets which are more difficult to realise and tend to take longer to deal with (such as book debts, including litigation)	20%	25%
Assets which are likely to need a lot of negotiation to realise or tend to be most likely to need court action so take the longest to deal with (such as money owed to the company by the director, employee or associated company)	30%	35%

The liquidator has made the following realisations upon which the creditors have approved a percentage be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations is summarised as follows:

Note	Asset category	Value of assets in S of A (£)	Remuneration % agreed	Estimated fees	Value of assets realised in period (£)	Total value of assets realised since appointment (£)	Total fees invoiced to date	Fees not yet drawn
1	Cash	3,900	10%	390	-	3,900	390	Nil
2	Stock	59,935	10%	5,993.5	-	50,074	5,007.4	Nil
3	Fixtures	537	10%	53.70				
4	Plant	1888	10%	188.80				
5	Vehicles	12,240	10%	1,586	-	10,970	1,097	Nil
6	HP Asset	3,620	10%		-	3,720	372	Nil
7	Stock	Nil	15%		-	100	15	Nil
8	Refunds	Nil	15%		-	1,289.54	193.43	Nil
9	Debtors	1,525	20%	305	-	2,500	500	Nil
10	Debtors	Nil	30%		-	1,500	450	Nil
11	Contingent	Nil	30%		-	545	163.5	Nil
12	Gross Realisations (VAT on realisations)	Nil	10%		-	12972.8	1297.28	Nil
Total estimated fees				8,517				
Total fees approved on percentage basis								9485.61
Total fees not drawn								Nil
Total approved fees on percentage basis, drawn to date								9485.61

Where applicable, further fees will be drawn as assets are realised, in accordance with the percentages previously approved by creditors when fixing the basis of the liquidator's remuneration.

Notes:

1) Cash relates to cash and cheques in hand, charged at 10% as identified on the Statement of affairs

2-4) Actual realisation of stock also relate to plant and machinery and fixtures and fittings, which were all identified on the statement of affairs and sold at auction

- 5,6) Vehicles disclosed and sold at auction charged at 10%
- 7) relates to a fireplace for a customer that was sold later at auction, hence charged at 15%, as this disputed
- 8) relates to DVLA refunds, not identified at the time of the Statement of affairs
- 9) relates to trade debtors as per the statement of affairs
- 10) relates to additional debtors, being the contingent asset and the £1500 settlement of the court action hence charged at 30%
- 11) relates to the refund of the court fees which was not anticipated or disclosed at the time of the statement of affairs
- 12) The fee resolution was for the approval of gross realisations, hence also 10% of the vat element of realisations of stock, plant and machinery, fixtures and fittings and vehicles.

The Liquidator's time costs for the period 27 June 2020 to 26 June 2021 in respect asset realisations and debtors total £142.50 plus VAT, which represents 0.5 hours charged on this case at an average rate of £285 per hour.

The Liquidator's total time costs during the liquidation from 27 June 2016 to 26 June 2021 in respect asset realisations and debtors total £7,180 plus VAT, which represents 25.9 hours charged on this case at an average rate of £277.22 per hour.

Further fees, will depend on the realisation of further assets, as some debtors remain outstanding.

This resolution is deemed to be fair, as it is based on percentage basis, to act as an incentive to maximise realisations, furthermore whilst the time costs are less for this work category, overall time costs (across all work categories and resolutions) are more than total fees drawn.

Resolution 4

Fee Resolution 4: Commencement of the liquidation to completion – Dividends/Distributions and Creditors - The Liquidator's fees for dealing with Dividends/ Distributions and all Creditors (excluding fixed charge holder) be calculated by reference a percentage of distributions to preferential and unsecured creditors (at 10%) in attending to these matters arising in the insolvency from commencement of the liquidation to completion, and the Liquidator be authorised to draw fees on account, as and when funds permit, if available.

The Liquidator's time costs for the period 27 June 2020 to 26 June 2021 in respect dealing with creditors and distribution to creditors total nil plus VAT, which represents 0 hours.

As previously reported, the Liquidator's total time costs for the duration of the liquidation from 27 June 2016 to 26 June 2021 in respect dealing with creditors and distribution to creditors total £4,975.00 plus VAT, which represents 19.5 hours charged on this case at an average rate of £255.13 per hour.

Further fees, will depend on the dividend distributions to creditors. We estimate that preferential creditors will be paid in full, resulting in further fees in the region of £1,250 being approved under this resolution. Additional time costs will however also be incurred in adjudicating claims and processing any distribution.

It is uncertain whether a dividend will be paid to unsecured creditors, should a dividend be paid to unsecured creditors, further fees will be drawn under this resolution.

This resolution is deemed to be fair, as it is based on percentage basis, to act as an incentive to maximise distributions to creditors, furthermore any estimated fees that would be approved under this resolution will be lower than those on a time cost basis, given the time costs already incurred.

Our hours and average rates

Our hours and average rates are shown for each area of work as approved under the different resolutions,

Whilst we have no statutory requirement to provide the information for the areas of work covered by percentage or fixed fee basis, we make this information available for transparency and completeness.

Resolution 2

THE DERBY FIREPLACE COMPANY LTD - IN CVL, Liquidators time costs from 27 June 2020 to 26 June 2021										
In respect of Administration, Employees, Investigations and Statutory matters										
	Units			Cost (£)			Total Sum of Units	Total Sum of Total	Average hourly rate (£)	
	Secretarial & Support	Case Administrator	Insolvency Practitioners	Secretarial & Support	Case Administrator	Insolvency Practitioner				
Admin & Planning										
P - Case review			0.3	0.1		85.50	45.00	0.4	130.50	326.25
P - Cashiering etc	1.6		1	0.7	208.00	285.00	315.00	3.3	808.00	244.85
P - Strategy planning & Control			0.3	0.1		85.50	45.00	0.4	130.50	326.25
Admin & Planning Total	1.6		1.6	0.9	208.00	456.00	405.00	4.1	1,069.00	260.73
Statutory										
S - Bonding			1	0.1		285.00	45.00	1.1	330.00	300.00
S - Receipts & Payments	0.1		0.4	0.2	13.00	114.00	90.00	0.7	217.00	310.00
S - Reports to Creditors / Members			5.7	0.3	52.00	1,624.50	135.00	6.4	1,811.50	283.05
Statutory Total			7.1	0.6	65.00	2,023.50	270.00	8.2	2,358.50	287.62
Grand Total	2.1		8.7	1.5	273.00	2,479.50	675.00	12.3	3,427.50	278.66

Note: Time costs for dealing with Administration, Employees, Investigations and Statutory matters for the period 27 June 2016 to 31 July 2017 have been accounted for and drawn under Fee Resolution 1 (and are covered separately in this report).

Total time costs under Fee Resolution 1	27.3	6,197.00	227.00
---	------	----------	--------

Total fees drawn under Fee Resolution 1 during the period 27 June 2016 to 26 June 2017 (as approved)	6,197.00
--	----------

Total time costs under Fee Resolution 2 for 1 August 2016 to 26 June 2017	107.3	28,442.00	265.07
Total time costs under Fee Resolution 2 for 27 June 2017 to 26 June 2018	25.6	6,950.50	271.50
Total time costs under Fee Resolution 2 for 27 June 2018 to 26 June 2019	33.4	8,807.50	263.70
Total time costs under Fee Resolution 2 for 27 June 2019 to 26 June 2020	25.3	6,595.50	260.69
Total time costs under Fee Resolution 2 for 27 June 2020 to 26 June 2021	12.3	3,427.50	278.66
Total time costs under Fee Resolution 2 for 1 August 2016 to 26 June 2021	203.9	54,223.00	265.93

Total fees drawn under Fee Resolution 2 during the period 1 August 2016 to 26 June 2017	27,639.12
Total fees drawn under Fee Resolution 2 during the period 27 June 2017 to 26 June 2018	42.63
Total fees drawn under Fee Resolution 2 during the period 27 June 2018 to 26 June 2019	-
Total fees drawn under Fee Resolution 2 during the period 27 June 2019 to 26 June 2020	-
Total fees drawn under Fee Resolution 2 during the period 27 June 2020 to 26 June 2021	-
Total fees drawn under Fee Resolution 2 during the period 1 August 2016 to 26 June 2021	27,681.75

Total Fees approved under Resolution 2	27,681.75
--	-----------

Resolution 3

THE DERBY FIREPLACE COMPANY LTD - IN CVL, Liquidators time costs from 27 June 2020 to 26 June 2021									
In respect of Asset realisation (Excluding property) and Debtors									
	Units			Cost (£)			Total Sum of Units	Total Sum of Total	Average hourly rate (£)
	Secretarial & Support	Case Administrator	Insolvency Practitioner	Secretarial & Support	Case Administrator	Insolvency Practitioner			
Asset Realisations									
A - Other Tangible Assets		0.3			85.50		0.3	85.50	285.00
Asset Realisations Total		0.3			85.50		0.3	85.50	285.00
Freehold/Leasehold									
F - Rates		0.2			57.00		0.2	57.00	285.00
Freehold/Leasehold Total		0.2			57.00		0.2	57.00	285.00
Grand Total		0.5			142.50		0.5	142.50	285.00

Total time costs for 27 June 2016 to 26 June 2017, dealing with Asset realisations (Excl property & Debtor)	22.4	6,212.00	277.32
Time costs for the period 27 June 2017 to 26 June 2018, for dealing with Asset realisations (Excl. property) & Debtors	0.6	162.00	270.00
Time costs for the period 27 June 2018 to 26 June 2019, for dealing with Asset realisations (Excl. property) & Debtors	2.1	567.00	270.00
Time costs for the period 27 June 2019 to 26 June 2020, for dealing with Asset realisations (Excl. property) & Debtors	0.3	96.50	321.67
Time costs for the period 27 June 2020 to 26 June 2021, for dealing with Asset realisations (Excl. property) & Debtors	0.5	142.50	285.00
Total Time Costs under Resolution 3	25.9	7,180.00	277.22

Our time charging policy and hourly rates

In accordance with the guidance given in SIP9 (E&W), details of our charge out rates and policy is provided below.

Set out below are our hourly rates with effect from 1 November 2016 to date, excluding VAT;

Grade / Skill Level	£
Insolvency Practitioners & Directors	425
Case Administrators	270
Secretarial & Support	125

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases. The charge out rates were increased on 1 June 2020, as such set out below are hourly rates with effect from 1 June 2020 to date, excluding VAT;

Grade / Skill Level	£
Insolvency Practitioners & Directors	450
Case Administrators	285
Secretarial & Support	130

The time charged to the Liquidation is by reference to the time properly given by the Liquidator and their staff in attending to matters arising.

It is the Liquidator's policy to charge the Insolvency Practitioner (and staff), at the appropriate skill level (at the rates detailed above) required for a particular task, based on the complexity and responsibility associated with that task, so as to maximize the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by directors / the insolvency practitioners themselves.

Time spent working on the case is recorded on the firm's time recording system. The time charged is recorded in six minute units, by reference to actual work carried out on the assignment. There is no allocation of any general costs or overheads.

Our work carried out in the period 27 June 2020 to 26 June 2021

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Statutory - Reporting to Creditors	<ul style="list-style-type: none"> Loading reports onto online system and notification to creditors of new report by mail 	<ul style="list-style-type: none"> To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> Required by statute/regulations

Statutory - Receipts & Payments	<ul style="list-style-type: none"> • Circulation and preparation of the Annual Progress report for the liquidation • Preparation of the receipts and payments as part of creditors reports • Filing receipts and payments at Companies House. 	<ul style="list-style-type: none"> • To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> • Required by statute/regulations
Statutory - Bonding	<ul style="list-style-type: none"> • Regular review of the bonding level 	<ul style="list-style-type: none"> • To comply with statutory obligations 	<ul style="list-style-type: none"> • Required by statute/regulations
Administration & Planning - Case Review	<ul style="list-style-type: none"> • Annual reviews • Budgets and cost monitoring 	<ul style="list-style-type: none"> • For proper management of the case 	<ul style="list-style-type: none"> • Controls time costs and ensures efficient case progression
Administration & Planning - Cashiering	<ul style="list-style-type: none"> • Bank account reconciliations • Accounting for all receipts and Payments • Maintaining ledger of transactions within the liquidation • Payment of professional fees 	<ul style="list-style-type: none"> • To manage the Company's bank accounts 	<ul style="list-style-type: none"> • Ensures proper financial control of cash • Required by statute and regulations
Administration & Planning - Strategy Planning & Control	<ul style="list-style-type: none"> • Review of overall position of the liquidation • Budgets and cost monitoring 	<ul style="list-style-type: none"> • For the proper management of the case 	<ul style="list-style-type: none"> • Controls time costs and ensures efficient case progression
Asset Realisations – other tangible assets	<ul style="list-style-type: none"> • Check on any further refunds, especially monies due from utility providers which showed credit balances 	<ul style="list-style-type: none"> • To ensure all assets are realised for the benefit of creditors 	<ul style="list-style-type: none"> • To maximise realisations for creditors
Freehold/Leasehold - Rates	<ul style="list-style-type: none"> • Check on any available rates refunds 	<ul style="list-style-type: none"> • To ensure all assets are realised for the benefit of creditors 	<ul style="list-style-type: none"> • To maximise realisations for creditors

Our future work

We still need to do the following work in the liquidation

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Statutory - Reporting to Creditors	<ul style="list-style-type: none"> • Loading reports onto online system and notification to creditors of new report by mail • Circulation and preparation of the Annual Progress report for the liquidation 	<ul style="list-style-type: none"> • To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> • Required by statute/regulations

Statutory - Receipts & Payments	<ul style="list-style-type: none"> • Circulation and preparation of the Final report • Preparation of the receipts and payments as part of creditors reports • Filing receipts and payments at Companies House. 	<ul style="list-style-type: none"> • To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> • Required by statute/regulations
Statutory - Bonding	<ul style="list-style-type: none"> • Regular review of the bonding level 	<ul style="list-style-type: none"> • To comply with statutory obligations 	<ul style="list-style-type: none"> • Required by statute/regulations
Statutory – Consent and Opting	<ul style="list-style-type: none"> • Record of consent to electronic delivery • Maintenance of electronic delivery schedules • Record of creditors wishing to opt out • Record of creditors revoking opting out • Maintenance of opted out schedules 	<ul style="list-style-type: none"> • To ensure efficient delivery of information to creditors • To save costs on delivery of information to creditors • To properly record creditors wishes regarding communication 	<ul style="list-style-type: none"> • Required by statute/regulations • To ensure efficient delivery of information to creditors and delivery cost savings
Statutory - Notices	<ul style="list-style-type: none"> • Notices of decision procedures to creditors, including, but not limited to, the outcome of any decision. In this case to be used for the formation of a committee • Filing statutory notices at Companies House • Statutory advertising of any meetings • Notice of closure of liquidation to PPF • Filing statutory notices at Companies House 	<ul style="list-style-type: none"> • To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> • Required by statute/regulations
Statutory – Other	<ul style="list-style-type: none"> • Notice of closure • Updating case records • Internal compliance procedures • Case Closure 	<ul style="list-style-type: none"> • To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> • Required by statute
Statutory – Release and Removal	<ul style="list-style-type: none"> • Final report and account • Notice of release and removal from office 	<ul style="list-style-type: none"> • To comply with mandatory statutory and other obligations 	<ul style="list-style-type: none"> • Required by statute
Administration & Planning - Case Review	<ul style="list-style-type: none"> • Annual reviews • Budgets and cost monitoring 	<ul style="list-style-type: none"> • For proper management of the case 	<ul style="list-style-type: none"> • Controls time costs and ensures efficient case progression
Administration & Planning - Case set up, Checklists	<ul style="list-style-type: none"> • Completing checklists on progression of liquidation • Closing the case records 	<ul style="list-style-type: none"> • For proper management of the case 	<ul style="list-style-type: none"> • Controls the progression of the case
Administration & Planning - Cashiering	<ul style="list-style-type: none"> • Closing bank accounts • Bank account reconciliations • Accounting for all receipts and Payments • Bank reconciliations 	<ul style="list-style-type: none"> • To manage the Company's bank accounts 	<ul style="list-style-type: none"> • Ensures proper financial control of cash • Required by statute and regulations

	<ul style="list-style-type: none"> • Maintaining ledger of transactions within the liquidation • Dividend payment • Payment of professional fees • Dealing with unclaimed dividend cheques 		
Administration & Planning - Company information, Administration	<ul style="list-style-type: none"> • Dealing with records in storage • Sending job files to storage 	<ul style="list-style-type: none"> • To manage company records 	<ul style="list-style-type: none"> • Work required for proper case management
Administration & Planning - Strategy Planning & Control	<ul style="list-style-type: none"> • Review of overall position of the liquidation • Analysis of options and strategy documentation. • Budgets and cost monitoring 	<ul style="list-style-type: none"> • For the proper management of the case 	<ul style="list-style-type: none"> • Controls time costs and ensures efficient case progression
Administration & Planning - Tax	<ul style="list-style-type: none"> • Correspondence with HMRC • Complying with the Company's tax obligations including submission of annual returns • Requesting clearance from HMRC on all tax matters prior to closure • Submitting the final VAT return to HMRC 	<ul style="list-style-type: none"> • To comply with legal requirements 	<ul style="list-style-type: none"> • Required by statute or other legal requirement • Ensures any available tax and VAT recoveries are made for the benefit of the Liquidation
Debtors - Correspondence with debtors	<ul style="list-style-type: none"> • Correspondence with debtors, requesting payment • Reviewing reasons for non-payment 	<ul style="list-style-type: none"> • To properly record debtor details • To enable debtors to put their side of events forward 	<ul style="list-style-type: none"> • Ensures information is up to date for debtor collections • Any debtor collections will improve the dividend position for Company creditors
Debtors - Agreeing debts	<ul style="list-style-type: none"> • Agree outstanding amount with debtors • Checking bank statements where debtors claim payment prior to liquidation • Calculate late payment and interest, if required • Agree terms for payment 	<ul style="list-style-type: none"> • To realise assets 	<ul style="list-style-type: none"> • For the financial benefit of the case
Debtors - Receipts	<ul style="list-style-type: none"> • Receive payment of book debts • Updating debtors' records 	<ul style="list-style-type: none"> • To account for receipts from debtors 	<ul style="list-style-type: none"> • Debtor collections will improve the dividend position for Company creditors
Creditors – Secured Creditor Correspondence / Enquiries	<ul style="list-style-type: none"> • Liaising with secured creditor regarding claim finalization and removal of charges • Dealing with ad hoc creditor enquiries 	<ul style="list-style-type: none"> • To keep creditors informed on the progress of the case • For distribution of funds to secured creditor 	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case.

Creditors – Preferential Creditor Correspondence / Enquiries	<ul style="list-style-type: none"> • Dealing with preferential creditor correspondence and requests for updates via post, email and telephone • Review and prepare correspondence to creditors • Liaising with preferential creditor regarding claim finalization • Liaising with Evolve re preferential claims • Dealing with ad hoc creditor enquiries 	<ul style="list-style-type: none"> • To keep creditors informed on the progress of the case • For distribution of funds to preferential creditor 	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case.
Creditors – Unsecured Creditor Correspondence / Enquiries	<ul style="list-style-type: none"> • Dealing with unsecured creditor correspondence and requests for updates via post, email and telephone • Review and prepare correspondence to creditors • Dealing with ad hoc creditor enquiries 	<ul style="list-style-type: none"> • To keep creditors informed on the progress of the case 	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case.
Creditors - Agreeing claims	<ul style="list-style-type: none"> • Processing Proofs of Debt (POD) & Reviewing creditors' claims, if and when a dividend to creditors can be paid, including; • Preparation of correspondence to potential creditors inviting lodgement of POD • Receipt of POD • Maintain POD register • Adjudicating POD • Request further information from claimants regarding POD • Preparation of correspondence to claimant advising outcome of adjudication 	<ul style="list-style-type: none"> • To determine the claims of creditors prior to any dividend 	<ul style="list-style-type: none"> • Work is required by statute and for the proper administration of the case.
Creditors - Dividend distribution (<ul style="list-style-type: none"> • Preparation of correspondence to creditors advising of intention to declare dividend • Advertisement of intention to declare dividend • Preparation of dividend calculation • Preparation of correspondence to creditors announcing declaration of dividend • Advertise announcement of dividend • Preparation of distribution 	<ul style="list-style-type: none"> • Essential to provide creditors with their distribution • Required by statute 	<ul style="list-style-type: none"> • Distribution of funds to respective category of creditor as required by statute

**Creditors -
Processing Claims**

- Preparation of dividend file
- Preparation of payment vouchers to pay dividend
- Preparation of correspondence to creditors enclosing payment of dividend
- Correspondence with employees, Evolve & RPO regarding dividend
- Correspondence with RPO regarding proof of debt
- Calculating dividend rate
- Preparing dividend file
- Advertising dividend notice
- Preparing distribution
- Receipting POD
- Adjudicating POD
- Ensuring PAYE is remitted to HMRC
- Essential to provide creditors with their distribution
- Required by statute
- Distribution of funds to respective category of creditor as required by statute

Our expense policy

The Liquidator's firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements are charged to the assignment as follows:-

Direct Expenses - Category 1 Disbursements (Creditor approval not required)

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include, but are not limited to, such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Disbursement	Amount
Postage	As per current postal charges
Other disbursements i.e. Advertising, bonding, professional and legal costs	At cost
Company and Individual searches	At cost
Room hire where required for Statutory Meetings (Whether meetings are attended or not)	At cost
Other third-party expenses incurred directly in connection with the case	At cost
Travel & accommodation costs as required	At cost (Hotels, Air Travel, Rail, Taxis, Public Transport, Parking, Subsistence etc.).
Mileage	45p per mile

Indirect Expenses - Category 2 Disbursements (Creditor approval required)

It is our normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP9) to the case, where appropriate:

Disbursement	Amount
--------------	--------

Photocopying (only charged for circulars to creditors or for exceptional amounts of copying)	10p per sheet
Envelopes (only charged for circulars to creditors)	25p each
Storage (when stored internally)	£1.30 per box per month
Archive Boxes	£1.50 per box

Storage and Archiving Charges

Where we use a commercial archiving company for storage facilities for companies records and papers. This is recharged to the estate at cost, along with their cost for collection. Alternatively, we may collect and store the companies records and papers at our storage facility, this is charged at a lower rate of £1.30 per box per month for storage and an initial cost of £1.50 per box is charged for archive boxes were required. We also use our own personnel and vehicle for collection of the Books and records for which we charge £45 per hour.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at HM Revenue & Customs approved rate, currently 45p per mile.

Disbursements

We do not need get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying etc. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approve our fees.

Our expense policy (detailed above) allows for all properly incurred expenses to be recharged to the liquidation and have been approved by creditors where required.

The following disbursements arose in the period of this report.

Category	Cost	Provider	Costs incurred £
1	Postage – postage costs for issuing circulars of reports and notices (as above, at cost)	Royal Mail	£63.75
2	Storage – of company records	LM Insolvency	£51.04
2	Stationary – photocopying and envelopes (as per the firm policy above)	LM Insolvency	£28.05

There are no Liquidator's direct expenses or other professional costs (including those unpaid) for the period of this report.

Legal and other professional firms

We have not instructed any other legal or professionals firms on this case, during this period.

Our relationships

Details of subcontracted work

There have been no subcontracts during this period.

Consultants

From time to time, the firm may engage the services of self-employed or freelance consultants to assist in the administration of a case.

Where such consultants are engaged, their time is charged and recorded on the firm's time recording system at the level commensurate with their experience and at the same grade as equivalently experienced and directly employed staff fulfilling that role.

There have been no consultants used during this period.