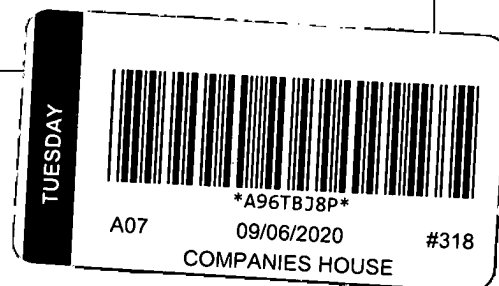


LIQ03

Notice of progress report in voluntary winding up



Companies House



1	Company details	
Company number	0 7 2 8 1 2 1 6	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	C&L Sherrington Ltd	
2	Liquidator's name	
Full forename(s)	Ian	
Surname	McCulloch	
3	Liquidator's address	
Building name/number	2 - 3 Winckley Court	
Street	Chapel Street	
Post town	Preston	
County/Region		
Postcode	P R 1 8 B U	
Country		
4	Liquidator's name ①	
Full forename(s)	Dean	① Other liquidator Use this section to tell us about another liquidator.
Surname	Watson	
5	Liquidator's address ②	
Building name/number	2 - 3 Winckley Court	② Other liquidator Use this section to tell us about another liquidator.
Street	Chapel Street	
Post town	Preston	
County/Region		
Postcode	P R 1 8 B U	
Country		

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 1	^d 0	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9
To date	^d 0	^d 9	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0

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

Liquidator's signature

Signature

X



X

Signature date

^d 0	^d 5	^m 0	^m 6	^y 2	^y 0	^y 2	^y 0
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LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

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

Contact name **Ian McCulloch**Company name **Begbies Traynor (Central) LLP**Address **2 - 3 Winckley Court****Chapel Street**Post town **Preston**

County/Region

Postcode **P R 1 8 B U**

Country

DX

Telephone **01772 202000****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

**C&L Sherrington Ltd T/A Virginia House Ulverston
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 10/04/2019 To 09/04/2020 £	From 10/04/2019 To 09/04/2020 £
	ASSET REALISATIONS	
	Bank Interest Gross	4.79
	Book Debts	138.00
	Cash at Bank	2,958.66
Uncertain	Directors Loan Account	NIL
16,000.00	Fixtures & Fittings	NIL
2,000.00	Stock	NIL
		<u>3,101.45</u>
	COST OF REALISATIONS	
	Statutory Advertising	174.96
		<u>(174.96)</u>
	PREFERENTIAL CREDITORS	
(1,630.18)	RPO re Arrears/Holiday Pay	NIL
		<u>NIL</u>
	FLOATING CHARGE CREDITORS	
(18,769.54)	National Westminster Bank PLC	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(25,450.19)	HMRC (non VAT)	NIL
(33,459.94)	HMRC (VAT)	NIL
(9,247.67)	RPO re Redundancy/Notice pay	NIL
(41,570.21)	Trade Creditors	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(100.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
(112,227.73)		<u>2,926.49</u>
	REPRESENTED BY	
	Bank 2 Current	2,926.49
	Vat Control Account	(35.00)
	Vat Receivable	35.00
		<u>2,926.49</u>

Ian McCulloch
Joint Liquidator



**C&L Sherrington Ltd T/A Virginia House
Ulverston (In Creditors' Voluntary
Liquidation)**

Progress report

Period: 10 April 2019 to 9 April 2020

Important Notice

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

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	C&L Sherrington Ltd T/A Virginia House Ulverston (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 10 April 2019.
"the liquidators", "we", "our" and "us"	Ian McCulloch and Dean Watson of Begbies Traynor (Central) LLP, 2 - 3 Winckley Court, Chapel Street, Preston, PR1 8BU
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company; and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	Virginia House Ulverston
Company registered number:	07281216
Company registered office:	2 - 3 Winckley Court, Chapel Street, Preston, PR1 8BU
Former trading address:	Virginia House, 24 Queen Street, Ulverston, LA12 7AF

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	10 April 2019
Date of liquidators' appointment:	10 April 2019
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 10 April 2019 to 9 April 2020.

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

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

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

General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Time charged to "General Case Administration and Planning" in the period covered by this report will include work of this nature, together with sundry tasks such as filing and photocopying.

Compliance with the Insolvency Act, Rules and best practice

Insolvency Practitioners are required to comply with the provisions of The Insolvency Act 1986 (as amended) and The Insolvency Rules 1986 (as amended), together with best practice guidelines laid down within the profession (for instance the Statements of Insolvency Practice set out by the R3 body which represents business recovery professionals). This includes the undertaking of periodic reviews of case progression.

Investigations

Insolvency Practitioners are required to, in accordance with the provisions of Statement of Insolvency Practice 2, to carry out investigations into the conduct of business by the director or directors of an insolvent company to the extent that it is proportional and in the interests of creditors.

Realisation of assets

The Company's tangible assets comprise of Fixtures, Fittings and Equipment contained within the Company's former trading premises at Virginia House, Ulverston.

The premises is owned personally by the Company's directors and is currently in the process of being sold. It is understood that an offer has been received and accepted for the sale of the property, and the sale is progressing accordingly.

Eddisons Commercial Limited ("Eddisons") were instructed to provide a valuation of the Company's assets and advised that, in order to obtain best value for the Company's tangible assets, it would be beneficial for them to be included with any sale of the trading premises, with an estimated realisable value of £16,000.

We await a further update on the progress of the sale of the trading premises from the Company's directors as appropriate.

Additionally, at the date the Company entered Liquidation, the accounts indicated an overdrawn director's loan account due to the Company in the sum of £46,016. The outstanding balance has been discussed with the directors, and it is expected that this amount will be repaid to the Company following the sale of the trading premises.

The sale of the trading premises will continue to be monitored by the Joint Liquidators.

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

Insolvency Practitioners will need to deal with the claims of creditors during the course of their time in office, which will include the recording of those claims together with the provision of ad hoc updates to creditors and dealing with general queries from those creditors. When funds allow, the Insolvency Practitioner will make distributions to creditors in accordance with the specified order of priority governing secured claims, preferential claims and unsecured claims.

Time charged to "Dealing with All Creditors' Claims, Correspondence and Distributions" relates to dealing with claims and creditor correspondence, specifically creditors queries on appointment and the review and submission of employee claims.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel)

In addition to the above categories, Insolvency Practitioners will also have to attend meetings when applicable (whether this be with directors, the respondents in any potential recovery action commenced in the course of the insolvency, solicitors, creditors or other interested party), tend to an insolvent company's pre and post insolvency tax affairs (including the submission of annual corporation tax returns and periodic VAT returns), enter into litigation in conjunction with appointed solicitors (usually applicable in instances where investigations have quantified a civil action that was unable to be settled directly between the Insolvency Practitioner and the respondent), deal with the winding up of a company pension scheme (where applicable) and undertake travel when applicable (for instance to attend meetings incidental to the progression of the insolvency).

Time charge to "Other matters" includes the completion of VAT and corporation tax returns.

5. ESTIMATED OUTCOME FOR CREDITORS

Secured creditors

National Westminster Bank Plc ("the Bank") holds the benefit of a debenture, incorporating a fixed and floating charge, over the Company's business and assets. Created on 30 July 2015 and registered on 4 August 2015.

The Bank's security is in respect of an overdraft facility on the Company's former bank account, which is understood to be overdrawn in the sum of £20,638.47.

The likelihood of a distribution being made to the Bank under the terms of its security, is wholly dependent on the outcome of the asset realisations detailed earlier within this report.

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £1,630.18.

A formal claim has not yet been received from The Insolvency Service in respect of payments made to employees. Accordingly, it has not yet been possible to calculate the level of actual preferential claims in the Liquidation.

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

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

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

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

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

As per the Estimated Statement of Affairs, provided to creditors at the outset of the Liquidation, we have estimated to the best of our knowledge and belief, the Company's net property as defined in Section 176A(6) of the Act, to be £16,370, prior to the application of costs, and the prescribed part of the Company's net property to be £6,274.

The application of the Prescribed Part and the level of the same is wholly dependent upon the quantum of future asset realisations.

Unsecured creditors

Unsecured creditors were estimated at £109,728. Claims of £57,704 have been received to date.

As with all other class of creditors, the likelihood of a distribution being available to unsecured creditors is dependent on the level of future asset realisations.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a decision of the creditors on 23 May 2019 obtained via a Decision Procedure by way of correspondence by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 30 April 2019 in the sum of £24,390 and we are authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 10 April 2019 to 9 April 2020 amount to £21,439 which represents 96.8 hours at an average rate of £221.48 per hour.

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

- ☐ Begbies Traynor (Central) LLP's charging policy
- ☐ Time Costs Analysis for the period 10 April 2019 to 9 April 2020

To 9 April 2020, we have not drawn any remuneration, against total time costs of £21,439 incurred since the date of our appointment.

Time Costs Analysis

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

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

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators were approved by the creditors on 10 April 2019, in the sum of £5,000 plus VAT.

These costs have not yet been paid.

Disbursements

To 9 April 2020, we have incurred disbursements in the sum of £312.06, of which £174.96 have been drawn in the reporting period.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

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

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

Tangible Assets and Director's Loan Account

As detailed earlier within this report, the recovery of the outstanding director's loan account and realisation of the Company's tangible assets is expected to be completed following the sale of the Company's former trading premises, owned by the directors personally.

The progress of the sale will continue to be monitored by the Joint Liquidators.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

Following completion of asset realisations, the Joint Liquidators will work to agree creditor claims and issue a distribution to creditors where possible (dependent on asset realisations); following which the liquidation will be moved to closure.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Connected party transactions

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

Use of personal information

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

10. CREDITORS' RIGHTS

Right to request further information

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

Right to make an application to court

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

11. CONCLUSION

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



Ian McCulloch
Joint Liquidator

Dated: 26 May 2020

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 10 April 2019 to 9 April 2020

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy; and
- b. Time Costs Analysis for the period from 10 April 2019 to 9 April 2020

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	Courts Advertising Limited	174.96	174.96	-
Stationery & Postage	Royal Mail plc	119.10	-	119.10
Bond	AUA Insolvency Risk Services	18.00	-	18.00
Expenses incurred with entities within the Begbies Traynor Group				
Business asset agent's valuation fees and disbursements	Eddisons Commercial Limited			