

LIQ03

Notice of progress report in voluntary winding up



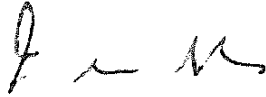
Companies House

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

1	Company details	
Company number	0 8 9 0 4 7 0 7	→ Filing in this form Please complete in typescript or in bold black capitals.
Company name in full	Gardiners NMC Ltd	
2	Liquidator's name	
Full forename(s)	Ian William	
Surname	Kings	
3	Liquidator's address	
Building name/number	4th Floor	
Street	Cathedral Buildings	
Post town	Dean Street	
County/Region	Newcastle upon Tyne	
Postcode	N E 1 1 P G	
Country		
4	Liquidator's name ①	
Full forename(s)	David Adam	① Other liquidator Use this section to tell us about another liquidator.
Surname	Broadbent	
5	Liquidator's address ②	
Building name/number	Redheugh House	② Other liquidator Use this section to tell us about another liquidator.
Street	Teesdale South	
Post town	Thornaby Place	
County/Region	Stockton-on-Tees	
Postcode	T S 1 7 6 S G	
Country		

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6	Period of progress report											
From date	^d 1	^d 4	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0				
To date	^d 1	^d 3	^m 1	^m 0	^y 2	^y 0	^y 2	^y 1				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature X  X											
Signature date	^d 0	^d 8	^m 1	^m 2	^y 2	^y 0	^y 2	^y 1				

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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 **Charlene Carson**

Company name **Begbies Traynor (Central) LLP**

Address **4th Floor**

Cathedral Buildings

Post town **Dean Street**

County/Region **Newcastle upon Tyne**

Postcode **N E 1 1 P G**

Country

DX

Telephone **0191 2699820**



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

Gardiners NMC Ltd (In Creditors' Voluntary Liquidation)

Progress report

Period: 14 October 2020 to 13 October 2021

Important Notice

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Gardiners NMC Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 14 October 2020
"the liquidators", "we", "our" and "us"	Ian William Kings of Begbies Traynor (Central) LLP, 4th Floor, Cathedral Buildings, Dean Street, Newcastle upon Tyne, NE1 1PG and David Adam Broadbent of Begbies Traynor (Central) LLP, Redheugh House, Teesdale South, Thornaby Place, Stockton-on-Tees, TS17 6SG
"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:	Gardiners
Company registered number:	08904707
Company registered office:	Begbies Traynor (Central) LLP, 4th Floor, Cathedral Buildings, Dean Street, Newcastle upon Tyne, NE1 1PG
Former trading address:	18 Coopies Haugh Coopies Lane, Morpeth, Northumberland, NE61 6JN

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	14 October 2020
Date of liquidators' appointment:	14 October 2020

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 14 October 2020 to 13 October 2021.

RECEIPTS

Furniture and Equipment

A valuation of the Company's assets was carried out by Martin Cassidy of Wilsons Auctions. Following the appointment of liquidators an asset purchase agreement was entered into with Gardiners Holidays Limited. £2,850.00 has been received from Gardiners Holidays Limited under the asset purchase agreement for the furniture and equipment.

Motor Vehicle

£350 has been received from Gardiners Holidays Limited under the asset purchase agreement for the car.

Trading Name

£500.00 has been received from Gardiners Holidays Limited under the asset purchase agreement for the trading name.

Bank Interest

In the period we have received bank interest in the sum of 0.20p.

Director's Loan

In the period we have received the sum of £1,211.42 which was the balance due in respect of an outstanding Director's Loan.

PAYMENTS

Agent's Fee

In the period we have paid a fee to the agents, Wilson Auctions, in the sum of £370. It has come to our attention that the invoice has been paid twice, a refund in the sum of £185.00 has been requested.

Legal Fees

In the period we have paid a fee of £905.59 to solicitors, Short Richardson & Forth for preparing the asset purchase agreement.

Accountant's Fee

In the period we have paid a fee of £500 to the Company's accountants, Ribchesters for assistance in providing information for the statement of affairs and the investigation.

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.

General case administration and planning

We have maintained records to demonstrate how the case has been administered and to document the reasons for any decisions that affect the case. We have also carried out reviews of the case. There was no financial benefit to creditors however this work is necessary to ensure the case is administered in the correct manner.

Compliance with the Insolvency Act, Rules and best practice

We have filed the appointment documents at Companies House, advertised the Liquidation in the London Gazette and notified creditors. We have put the Insolvency Practitioners' bonds in place and have reviewed these. We have opened a bank account and carried out reconciliations. There was no financial benefit to creditors but the reports are a statutory requirement and the other work is good practice to ensure the case is administered correctly.

Investigations

We have undertaken a review of the trading of the Company prior to liquidation. We have also considered the conduct of the Company's director and made an appropriate submission to the Department for Business, Energy and Industrial Strategy. This is of no financial benefit to creditors but is a requirement of a liquidator.

Realisation of assets

Time has been spent liaising with the appointed agent Martin Cassidy of Wilsons Auctions to ensure a sale of the assets was achieved at fair value. Time has been spent with Short Richardson Forth solicitors agreeing the sale agreement. Time has been spent discussions the sale with the purchasing party Gardiners Holidays Limited. We have also requested that an insurance specialist review the Company's insurance policies to see whether there could be any claim for business interruption due to the pandemic.

Assets have been realised but at present this will be of no financial benefit to creditors as the values received are not sufficient to enable a distribution to creditors.

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

We have submitted employee claims to the Department for Business, Energy and Industrial Strategy. Employees will benefit financially as their claims should be processed.

We have dealt with creditor claims and enquiries as appropriate. There was no financial benefit to creditors however there is a requirement of an insolvency practitioner to communicate with creditors.

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

We have prepared VAT returns. This will not benefit creditors financially but we are required to continue to account to HM Revenue & Customs in respect of taxable income and expenditure whilst we are in office as liquidators.

Time has also been spent ensuring that all pension contributions are up to date. This will benefit employees.

5. ESTIMATED OUTCOME FOR CREDITORS

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

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

Secured creditor

The company granted a fixed charge in favour of Hiscox insurance Company limited over the cash deposit placed with Travel and General Insurance Service Limited. This was created on 12 January 2018 and registered on 18 January 2018. There will be no funds available to pay a dividend to the secured creditor.

Preferential creditors

Based upon realisations to date and estimated future realisations, it is anticipated that there will be insufficient funds available to enable a dividend to be paid to the preferential creditors.

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

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

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

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

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

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

Unsecured creditors

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

LIQUIDATORS' REMUNERATION & EXPENSES

Remuneration

We have not received any authority to draw post appointment fees and at present do not intend to seek any. There have been insufficient assets realisations to date to allow a post appointment fee. Any available funds will be allocated against our previously agreed pre-appointment fee in the sum of £5,000. Should assets become available we may revert to creditors for an agreement.

Work undertaken prior to appointment

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 14 October 2021. This was approved on a fixed fee basis of £5,000. These costs have yet to be paid.

Category 2 Expenses

There have been no Category 2 expenses incurred.

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

6. LIQUIDATORS' EXPENSES

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

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £1,075.00. Unfortunately, the expenses that we have incurred so far have exceeded that estimate. The reason why the estimate has been exceeded are as follows:

- The accountant's fee was not included within the estimate as it was included as a pre appointment expense.

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

All assets have been realised. We await the outcome of the investigation into whether there could be an insurance claim for business interruption due to the pandemic. We await confirmation that all pension matters are dealt with.

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

General case administration and planning

We will continue to plan and review the strategy for the liquidation, undertake reviews of the case, attended to filing and general administration tasks when required. We will seek the refund of the duplicated payment to Wilsons Auctions. There is no financial benefit to creditors however this work is necessary to ensure the case is administrated in the correct manner.

Compliance with the Insolvency Act, Rules and best practice

The liquidators will continue to undertake banking, cashiering and will review of the Insolvency Practitioners' bond. Time spent producing this progress report will be reflected in the next period. There is no financial benefit to creditors but the reports are a statutory requirement and the other work is good practice to ensure the case is administrated correctly.

Asset Realisations

We will conclude the investigation into whether there is any claim that can be made against the insurers for business disruption. This may be of financial benefit to creditors should a claim be made and funds realised.

Dealing with all creditors' queries

We will continue to deal with creditor claims and enquiries as appropriate. There is no financial benefit to creditors as we do not anticipate a distribution to creditors in this case however best practice means that we should respond to creditor queries in a timely manner.

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

An annual Corporation Tax return will be required and further VAT returns will need to be submitted. A final Corporation Tax return and VAT return will be prepared. This will not benefit creditors financially but we are required to continue to account to HM Revenue & Customs in respect of taxable income and expenditure whilst we are in office as liquidators.

We are awaiting confirmation that all pension matters have been dealt with. This may benefit employees if any outstanding pension contributions are claimed from the government.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been carried out. As you know, this work is necessary in order that I may complete the liquidation as envisaged. The cost of completing this work is estimated at £5,000. At present we have not sought a fee agreement.

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

No fee resolution has been agreed. However, please note that should there be additional or unexpected asset realisations, we will look to seek creditors approval to draw remuneration.

8. OTHER RELEVANT INFORMATION

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we are obliged to inform creditors of any sale of the Company's business or assets which involves a party connected to the Company. We confirm that the following assets were sold:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
23/03/2021	Asset Purchase Agreement in respect of Trading Name, Furniture and Equipment and Motor Vehicles.	£3,700 plus VAT	Gardiners Holidays Limited	Shadow Director – Adrian Smith

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.

9. 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.

10. CONCLUSION

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

A handwritten signature in black ink, appearing to read 'Ian W Kings', with a stylized, cursive script.

Ian W Kings
Joint Liquidator

Dated: 8 December 2021

LIQUIDATORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 14 October 2020 to 13 October 2021

Gardiners NMC Limited

S of A £		£	£
	ASSET REALISATIONS		
1,300.00	Furniture & Equipment	2,850.00	
300.00	Motor Vehicles	350.00	
	Trading Name	500.00	
210,000.00	Travel and General Bond	NIL	
	Bank Interest Gross	0.20	
1,211.42	Director's Loan	1,211.42	
			4,911.62
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	370.00	
	Legal Fees (1)	905.59	
	Accountants' Fees	500.00	
			(1,775.59)
	PREFERENTIAL CREDITORS		
(6,428.12)	Employees re Arrears/Hol Pay	NIL	
(478.95)	Pension Contributions	NIL	
			NIL
	UNSECURED CREDITORS		
(105,859.47)	Trade Creditors	NIL	
(29,297.07)	Employees Notice Pay, Redundancy,	NIL	
(51,993.94)	Bank	NIL	
(17,915.02)	HM Revenue & Customs (PAYE)	NIL	
(3,326.00)	HM Revenue & Customs (VAT)	NIL	
(10,000.00)	Connected Company - Gardiners NMC	NIL	
(205,487.26)	Connected Company - Gardiners NMC	NIL	
(157,964.06)	Connected Company - Gardiners NMC	NIL	
			NIL
	DISTRIBUTIONS		
(40,000.00)	Ordinary Shareholders	NIL	
			NIL
(415,938.47)			3,136.03
	REPRESENTED BY		
	Vat Receivable		355.12
	Bank 1 Current		3,520.91
	Vat Control Account		(740.00)
			3,136.03

LIQUIDATORS' CHARGING POLICY

BEGBIES TRAYNOR CHARGING POLICY

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

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

Best practice guidance classifies expenses into two broad categories:

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

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

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

- ❑ Car mileage which is charged at the rate of 45 pence per mile;

General Office Overheads.

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

- ❑ Telephone and facsimile
- ❑ Printing and photocopying
- ❑ Stationery

STATEMENT OF LIQUIDATORS' 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				
Agent/Valuers Fees	Wilson Auctions	370.00	370.00	(185.00) Refund
Legal Fees	Short Richardson & Forth	905.59	905.59	Nil
Accountants' Fees	Ribchester	500.00	500.00	Nil
Statutory Advertising	Courts Advertising	126.00	Nil	126.00
Bond	Marsh Limited	20.00	Nil	20.00

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Storage	Restore	50.00