

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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04/12/2020

#277

COMPANIES HOUSE

1 Company details

Company number 0 7 4 9 3 9 3 4

Company name in full Zippy Stitch Ltd

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

2 Liquidator's name

Full forename(s) Andrew John

Surname Whelan

3 Liquidator's address

Building name/number Unit 2 Spinnaker Court

Street 1C Becketts Place

Post town Hampton Wick

County/Region Kingston upon Thames

Postcode K T 1 4 E Q

Country

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.

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6 Period of progress report

From date	^d 2	^d 6	^m 1	^m 1	^y 2	^y 0	^y 1	^y 9
To date	^d 2	^d 5	^m 1	^m 1	^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 3	^m 1	^m 2	^y 2	^y 0	^y 2	^y 0
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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 **Andrew John Whelan**

Company name **WSM Marks Bloom LLP**

Address
Unit 2 Spinnaker Court
1C Becketts Place

Post town
Hampton Wick

County/Region
Kingston upon Thames

Postcode
K T 1 4 E Q

Country

DX

Telephone
020 8939 8240



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

ZIPPY STITCH LTD (IN LIQUIDATION)

ANNUAL PROGRESS REPORT FOR THE YEAR TO 25 NOVEMBER 2020

3 DECEMBER 2020

CONTENTS

- 1 Introduction and Statutory Information
- 2 Progress of the Liquidation
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- 5 Creditors' Rights
- 6 Next Report

ATTACHMENTS

Receipts and Payments Account from 26 November 2019 to 25 November 2020

Additional Information in relation to the Liquidator's Fees, Expenses & Disbursements

ZIPPY STITCH LTD (IN LIQUIDATION)

1 Introduction and Statutory Information

- 1.1 I, Andrew John Whelan of WSM Marks Bloom LLP, Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames KT1 4EQ, was appointed as Liquidator of Zippy Stitch Ltd ('the Company') on 26 November 2019. This progress report covers the period from 26 November 2019 to 25 November 2020 ('the Period').
- 1.2 Information about the way that we will use and store personal data on insolvency appointments can be found in the Privacy Notice at <http://wsm.co.uk/insolvency/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was 14 Elmfield Road, Bromley BR1 1LR. The principal trading activity was as a clothing alterations and repairs company. The business traded under the name 'Zippystitch'.
- 1.4 The registered office of the Company is Unit 2 Spinnaker Court, 1C Becketts Place, Hampton Wick, Kingston upon Thames KT1 4EQ. Its registered number is 07493934.
- 1.5 The Company is sole shareholder of Zippy Stitch Sevenoaks Limited (07814255), Zippystitch Maidstone Ltd (08286994) and Zippystitch Reigate Limited (08024512). These companies share a common director and I am concurrently acting as liquidator of these three entities

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2.2 Attached is my receipts and payments account for the Period.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees information issued on 5 December 2019.
- 2.4 As noted in my initial fees information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Cash at bank

- 2.5 The only realisable asset as per the director's statement of affairs was a credit balance held in the Company's bank account with Lloyds Bank Plc ('Lloyds'). It was estimated that there would be £10,677 available to the liquidation.

ZIPPY STITCH LTD (IN LIQUIDATION)

- 2.6 An amount of £6,000 was transferred to the WSM Marks Bloom LLP clients' account prior to the commencement of the liquidation. This amount was duly transferred to the liquidation account once it was opened.
- 2.7 Upon my appointment I wrote to Lloyds requesting that the account be closed and any further balance held on the account be remitted to the liquidation account.
- 2.8 A cheque in the amount of £4,671.15 was received and banked on 20 January 2020 bringing total realisations to £10,671.15.

Other assets

- 2.9 The only other realisation is a small amount which has been received in respect of gross bank interest
- 2.10 It is not anticipated that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to creditors, as the realisations made are insufficient to meet the costs and expenses of the liquidation.

Creditors (claims and distributions)

- 2.11 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.12 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal. In this case there are no preferential creditors.
- 2.13 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims. In this case I have not spent significant time dealing with creditors' claims, as there is little prospect of a dividend being paid to any class of creditor.

Investigations

- 2.14 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ('CDDA 1986') and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.

ZIPPY STITCH LTD (IN LIQUIDATION)

- 2.15 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.16 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

Matters still to be dealt with

- 2.17 The case shall remain open until all matters in relation to Zippy Stitch Sevenoaks Limited, Zippystitch Maidstone Ltd and Zippystitch Reigate Limited have been resolved. In the meantime I shall seek confirmation from HM Revenue & Customs that they have no objection to the liquidation of the Company being closed.

3 Creditors

Secured & Preferential Creditors

- 3.1 There are no secured or preferential creditors.

Unsecured Creditors

- 3.2 I have received claims totalling £754,185.56 from 7 creditors. I have yet to receive claims from 15 creditors whose debts total £103,195.03 as per the director's statement of affairs.
- 3.3 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003.
- 3.4 It is not anticipated that there will be sufficient funds to pay a dividend to unsecured creditors.

4 Liquidator's Remuneration

- 4.1 The basis of the Liquidator's remuneration was agreed by creditors as a set amount of £10,000 plus VAT by passing a resolution by correspondence on 9 January 2020. To date, I have drawn no remuneration in respect of this resolution.
- 4.2 The above fee resolution was based on the assumption that the liquidation would be concluded within 12 months.
- 4.3 Although this has not been the case, I do not presently anticipate proposing a resolution for any further fees, as there are unlikely to be sufficient funds in the liquidation to meet any further fees approved. However, I reserve the right to do so should realisations subsequently prove sufficient.

ZIPPY STITCH LTD (IN LIQUIDATION)


- 4.4 In addition, it was resolved at the virtual meeting of creditors held on 26 November 2019 that my pre-appointment fees fixed at £5,000 plus VAT would be drawn from the assets in the liquidation. I have drawn these fees in full during the Period.
- 4.5 Attached is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements, and details of our current charge-out rates by staff grade. Since my appointment, no category 2 disbursements have been taken.
- 4.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://wsm.co.uk/insolvency/creditors-guides>

5 Creditors' Rights

- 5.1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

6 Next Report

- 6.1 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.



A J Whelan
Liquidator
3 December 2020

Zippy Stitch Ltd
(In Liquidation)
Liquidator's Summary of Receipts & Payments
To 25/11/2020

S of A £		£	£
	ASSET REALISATIONS		
NIL	Ex-Director's loan	NIL	
NIL	Inter-company receivable	NIL	
10,677.00	Cash at Bank	10,671.15	
	Bank Interest Gross	1.89	
			10,673.04
	COST OF REALISATIONS		
	Specific Bond	80.00	
	Preparation of S. of A.	5,000.00	
	Office Holders Expenses	6.00	
	Statutory Advertising	234.50	
			(5,320.50)
	UNSECURED CREDITORS		
(372,271.71)	Trade & Expense Creditors	NIL	
(119,500.00)	Shareholder loans	NIL	
(182,025.00)	Directors	NIL	
(2,701.76)	HM Revenue & Customs VAT	NIL	
(50,599.00)	Inter-company payable	NIL	
			NIL
	DISTRIBUTIONS		
(111.00)	Ordinary Shareholders	NIL	
			NIL
(716,531.47)			5,352.54
	REPRESENTED BY		
	Current A/c		5,352.54
			5,352.54

ZIPPY STITCH LTD (IN LIQUIDATION)

ADDITIONAL INFORMATION IN RELATION TO THE LIQUIDATOR'S FEES, EXPENSES & DISBURSEMENTS

Policy

Detailed below is WSM Marks Bloom LLP's policy in relation to staff allocation and the use of subcontractors, professional advisors and disbursements.

Staff allocation and the use of subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors in this case.

Professional advisors

We have not used any professional advisors in this case.

Liquidator's Expenses & Disbursements

The following expenses have been incurred during the Period, and have been paid from the funds in the liquidation account. These are comparable with the costs estimate provided with my fees information circulated to creditors on 5 December 2019:

	Cost Estimate £	Paid during the Period £	Anticipated further cost £	Total anticipated cost £
Land registry searches	6.00	6.00	Nil	6.00
Statutory advertising	150.00	234.50	Nil	234.50
Specific penalty bond	44.00	80.00	Nil	80.00
Postage	30.00	Nil	30.00	30.00

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, or document storage. We would confirm that this firm does not seek to charge any Category 2 disbursements.