

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 0 6 1 8 4 6 4

Company name in full Pretty Legs Hosiery Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) John William

Surname Butler

3 Liquidator's address

Building name/number The Chapel

Street Bridge Street

Post town Driffield

County/Region East Yorkshire

Postcode Y O 2 5 6 D A

Country

4 Liquidator's name ①

Full forename(s) Andrew James

Surname Nichols

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Chapel

Street Bridge Street

Post town Driffield

County/Region East Yorkshire

Postcode Y O 2 5 6 D A




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	0	m	0	m	6	y	2	y	0	y	2	y	2
To date	d	1	d	9	m	0	m	6	y	2	y	0	y	2	y	3
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>    </div>															
Signature date	d	1	d	8	m	0	m	7	y	2	y	0	y	2	y	3

**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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

**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

Delivered to all known members and creditors by publishing on the Redman Nichols
Butler Website

PRETTY LEGS HOSIERY LIMITED
(IN CREDITORS VOLUNTARY LIQUIDATION)

The First
Annual Progress Report

Attachments to this annual progress report

- 1 Receipts and payment account for the Period and for the Life of the Case
- 2 SIP 9 reports for the Period and for the Life of the Case

Key information about the case and this annual progress report

Introduction	
Joint Liquidators	John William Butler and Andrew James Nichols of Redman Nichols Butler, The Chapel, Bridge Street, Drifffield, YO25 6DA
Telephone number of the Joint Liquidators	01377 257788
Office holder numbers	9591 & 8367
Type of liquidation	Creditors Voluntary Liquidation
Date of appointment	20 June 2022
Resolutions passed at the decision procedure where the Joint Liquidators were appointed (including those relating to remuneration) and other key information about this report	
Was a creditors committee appointed ?	No
The period that this report covers (the "Period")	20 June 2022 to 19 June 2023
Meaning of "Life of the Case"	20 June 2022 to 19 June 2023
Basis of Joint Liquidators' remuneration	Not yet approved Proposing that creditors pass a resolution that the Joint Liquidators' fees be on a time costs basis (ie based on the time spent by the Joint Liquidators and their staff in dealing with all aspects and matters of the case, including those undertaken at the request of creditors) further details can be found attached to this report
Amount fixed or amount of fee estimate approved by creditors	£0
Types of disbursements approved by creditors and hence recoverable by the Joint Liquidators	Category 1 and Category 2
Date of approval of resolutions by creditors	Not yet approved
Date of initial report to members and creditors which detailed how to access Information Pack for Creditors	21 June 2022 - A further copy is available at www.redmannicholsbutler.co.uk .

Sales to connected parties since the date of appointment (SIP 13)	
Has there been a sale of assets to a connected party since the date of appointment ?	Yes
Rationale and justification for the sale	<p><u>Stock, Motor Vehicles, Plant and Machinery:</u></p> <p>The majority of the assets were sold to third parties, however, there was some raw materials, work in progress, stock and motor vehicles which were not included in these sales.</p> <p>As the agents were preparing these assets for auction, they received an offer from Medalin Limited, which they advised was fair value and recommended that the offer be accepted.</p> <p>The stock was sold on 30 August 2022 for £30,000 plus VAT and the remaining assets were sold for £35,000 plus VAT on 15 July 2022</p> <p>Medalin Limited is a connected company as it shares the same directors as Pretty Legs Hosiery Limited</p> <p><u>CT Refund:</u></p> <p>The company was part of a group of companies.</p> <p>The accountants prepared accounts for the final trading period and some of the group were showing taxable profits which they wanted to utilize the losses of the company as group relief.</p> <p>An offer was received for 40% of the tax liabilities the group wished to use.</p> <p>The liquidators accepted this offer</p>

Administration and Planning

The work undertaken by the Joint Liquidators which is classified as Administration and Planning for the Period is summarised in Table A included in this report. In particular, the follow specific areas of work have been done in the Period:

1. Initial report to creditors
2. Case set up
3. Preparing this annual progress report and decision procedure to fix the basis of the Joint Liquidators' remuneration

This work does not produce any direct financial benefit for creditors but is required by statute and best practice guidelines.

Investigations

The work undertaken by the Joint Liquidators which is classified as Investigations for the Period is summarised in Table A included in this report. In particular, the follow specific areas of work have been done in the Period:

1. The carrying out of investigative work in accordance with Statement of Insolvency Practice 2
2. The submission of a report under the provisions of Company Directors Disqualification Act 1986

Statement of Insolvency Practice 2 – Investigations by office holders

The Joint Liquidators have carried out their duty to investigate the affairs of the company to that extent necessary to comply with best practice as provided by the provisions of Statement of Insolvency Practice 2 entitled “Investigations by office-holders in administrations and insolvent liquidations”.

Pursuant to that duty, no matters have come to their attention which warrant further investigation or action being taken or any matters that have come to their attention cannot be realistically pursued for the benefit of creditors due to lack of funding or because it would not be in the commercial interests of creditors to pursue those matters further.

This work did not produce any direct financial benefit for creditors but is required by statute and best practice guidelines.

Company Directors Disqualification Act 1986

The Joint Liquidators have complied with their duties under the provisions of the Company Directors Disqualification Act 1986. However, the Joint Liquidators are not able to disclose to creditors the content of their report.

This work does not produce any direct financial benefit for creditors but is required by statute and best practice guidelines.

Realisation of Assets

The work undertaken by the Joint Liquidators which is classified as Realisation of Assets in the Period is summarised in Table A included in this report.

A summary of the financial results of that work during the Period and during the Life of the Case is summarised below:

Asset	Estimated to realise per statement of affairs (£)	Actual realisations in the Period (£)	Actual realisations in the Life of the Case (£)	Comments
Debtors	Uncertain	35,256	35,256	<p>Creditors may recall that the debts were assigned to Paragon Bank Business Finance (‘Paragon’), who have now been paid in full from the collection of the debts and have assigned the balance back to the company.</p> <p>Paragon were holding a surplus of £35,256, which has now been paid to the liquidation estate</p> <p>I have instructed my solicitors, Harrowells to assist in realising the remaining debts</p> <p>This work is ongoing</p>
Plant and Machinery	150,000	123,650	123,650	<p>The company’s assets were sold by our agents, Gilbert Baitson.</p> <p>The majority of the assets were sold to third parties. However, the stock, motor vehicles, work in progress and raw materials were not included.</p> <p>As the agents were preparing the remaining assets for auction they received an offer from Medalin</p>
Stock	Uncertain	30,000	30,000	
Motor vehicles	4,000	4,500	4,500	

				<p>Limited, a connected company as it has the same directors as Pretty Legs Hosiery Limited.</p> <p>The agents recommended that this offer be accepted</p> <p>No further recoveries are anticipated</p>
Cash in hands of accountants	261	4,749	4,749	<p>This refers to monies held in the client account of Redman Nichols Butler. Upon appointment these monies were paid into the estate account.</p> <p>No further recoveries are anticipated</p>
CT refund	-	11,837	11,837	<p>The company was part of a group of companies.</p> <p>The accountants prepared accounts for the final trading period and some of the group were showing taxable profits which they wanted to utilize the losses of the company as group relief.</p> <p>An offer was received for 40% of the tax liabilities the group wished to use.</p> <p>The liquidators accepted this offer</p> <p>No further recoveries are anticipated</p>
Bank interest	-	1,154	1,386	<p>This refers to interest received in the monies held in the estate account</p>

This work produces financial benefit for creditors and is required by statute and best practice guidelines.

Statement of Insolvency Practice 13 – Transactions with connected parties

Statement of Insolvency Practice 13 provides that the Joint Liquidators are required to disclose to creditors and members at the first available opportunity after their appointment any transactions with connected parties.

In this case:

Stock, Motor Vehicles, Plant and Machinery:

The majority of the assets were sold to third parties, however, there was some raw materials, work in progress, stock and motor vehicles which were not included in these sales.

As the agents were preparing these assets for auction, they received an offer from Medalin Limited, which they advised was fair value and recommended that the offer be accepted.

The stock was sold on 30 August 2022 for £30,000 plus VAT and the remaining assets were sold for £35,000 plus VAT on 15 July 2022

Medalin Limited is a connected company as it shares the same directors as Pretty Legs Hosiery Limited

Creditors

CT Refund:

The company was part of a group of companies.

The accountants have prepared accounts for the final trading period and some of the group were showing taxable profits which they wanted to utilize the losses of the company as group relief.

An offer was received for 40% of the tax liabilities the group wished to use.

The liquidators accepted this offer

Creditors

The work undertaken by the Joint Liquidators which is classified as Creditors for the Period is summarised in Table A included in this report. In particular, the follow specific areas of work have been done in the Period:

- 1. Creditors claims have simply been logged and acknowledged**
- 2. Employees have been assisted to make claims against the Redundancy Payments Office**

This work:-

- Has not produced financial benefit for creditors because creditors have not received a dividend.**

Trading

N/A

Costs and expenses of the liquidation

Remuneration of the Joint Liquidators

As yet the creditors have not been asked to agree the basis for the Joint Liquidators' fees. Time costs to date total £28,218.

I intend to seek approval for my remuneration as liquidator, which is to be based on the amount of time spent by my staff and I in dealing with the administration of the liquidation estate charged at my firm's prevailing charge out rates as set out in the fee guide which is attached to this report.

I intend to pass these resolutions by correspondence rather than holding a meeting of creditors and the voting form is enclosed.

Disbursements of the Joint Liquidators

Details of the Joint Liquidators' disbursements are attached to this report

The fee estimate

I propose that creditors now consider my firm's remuneration. In that regard, I have attached to this report details of the estimated costs of the liquidation. The fee estimate also includes a narrative of work which has been and is anticipated to be undertaken.

The office holders' remuneration cannot exceed the total amount set out in the fee estimate without further approval from creditors. In this case, the fee estimate for dealing with the post appointment matters is £50,000

A creditors' guide to an Insolvency Practitioner's fees is available at www.creditorinsolvencyguide.co.uk or <https://insolvency-practitioners.org.uk/regulation-and-guidance/creditors-guides-to-fees/>. A creditors' guide to Redman Nichols Butler fees and expenses is included in this report which details the Joint Liquidators' current and last previous charge out rates.

Costs of preparing the Information Pack for Creditors and convening the decision procedure

Creditors have not, to date, been asked to resolve my firm's fees for assistance in convening the deemed consent process and preparing the directors' statement of affairs.

My firm's costs and expenses for assistance in convening the deemed consent process and preparing the directors' statement of affairs total £13,826.83.

My firm's fees for work carried out pursuant to the directors' instruction which are not payable by the insolvent estate total £8,432.65.

The attached fee estimate includes a narrative of work which has been undertaken as well as the disbursement that have been incurred in preparing the Information Pack for Creditors and convening the deemed consent procedure.

I propose to limit my fees at £12,500.

I intend to seek approval for my firm's fees in assisting to convene the deemed consent process and preparing the directors' statement of affairs.

I intend to pass these resolutions by correspondence rather than holding a meeting of creditors and the voting form is enclosed.

Other professionals engaged to assist the Joint Liquidators to carry out their duties

The following professional firms have been engaged by the Joint Liquidators to assist them in carrying out their duties in this case:-

Firm	Nature of their instructions	Fee basis	Amount charged / paid in the Period (£)	Amount charged / paid in the Life of the Case (£)	Reviewed for reasonableness
Gilbert Baitson - agents	Market chattel assets	Time costs	25,976	25,976	Yes
Botterill & Co - accountants	Prepare accounts for the final trading period and submit any outstanding returns to HMRC	Time costs	4,018	4,018	Yes
Marsh - insurers	Insure company assets	Set rate	951	951	Yes
Harrowells Limited - solicitors	Debt collection	Time costs	0	0	N/A

The creditors' rights to request further information about and challenge the amount of the Joint Liquidators' remuneration and disbursements

Within 21 days of receipt of this report:-

- i) a secured creditor; or
- ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question); or

iii) with the permission of the court upon an application made within the 21 days

any unsecured creditor may make a request in writing to the Joint Liquidators for further information about their remuneration or disbursements set out in this report. The Joint Liquidators must, within 14 days of receipt of the request, respond accordingly.

Right of challenge

If a creditor believes that the Joint Liquidators' remuneration is, in all the circumstances, excessive, the basis inappropriate, or the expenses incurred by the Joint Liquidators are, in all the circumstances, excessive he may, provided certain conditions are met, apply to the court.

The application to court may be made by:

- i) a secured creditor; or
- ii) any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor); or
- iii) any unsecured creditor with the permission of the court.

The application must, subject to any order of the court, be made no later than 8 weeks (or, in a case where a creditors' meeting is to be convened to receive a liquidator's resignation, 4 weeks) after receipt by the applicant of the report which first reports the charging of the remuneration or the incurring of the disbursements in question.

Outcome for creditors

The prescribed part

Where a floating charge is created after 15 September 2003, a prescribed part of the company's net property shall be made available to unsecured creditors. In the Joint Liquidators' initial report to creditors and members, estimates of the value of the prescribed part and the company's net property in this case were provided. An updated position can be summarised as follows:

Is there a relevant qualifying floating charge	Original estimate of value of the net property (£)	Original estimate of value of the prescribed part (£)	Current estimate of value of the net property (£)	Current estimate of value of the prescribed part (£)	Value of prescribed part distributed to unsecured creditors (£)
Yes but the net property is less than £10,000	(95,455)	0	0	0 – but since less than £10,000, the prescribed part has been disapplied	0

Secured creditors

The amounts paid to secured creditors can be summarised as follows:-

Secured creditor	Reason for payment	Amount paid in the Period (£)	Amount paid during the Life of the Case (£)
Paragon Bank Business Finance	Invoice factoring company	N/A paid in full from realization of debts factored to them	N/A paid in full from realization of debts factored to them

Unsecured creditors

The outcome for unsecured creditors can be summarised as follows:-


Class of creditor	Current estimated total return (pence in the £)	Amount paid in the Period (£)	Amount paid during the Life of the Case (£)
Preferential unsecured creditors	100	0	0
Secondary preferential unsecured creditors	Uncertain	0	0
Non preferential unsecured creditors	0	0	0

Conclusion

The remaining outstanding matters to be dealt with in this case prior to ceasing to act, in summary, are:-

1. **realisation of the remaining debts**
2. **agree the basis of the liquidators' remuneration**
3. **agreeing and pay a dividend to the preferential and secondary preferential creditors**

Should any creditor or member require any further information, please contact the Joint Liquidators.



J W Butler
Joint Liquidator
17 July 2023

Table A: Detailed list of work undertaken by the Joint Liquidators in the Period		If work done in the Period - tick (v)
Administration and Planning		
Case set up	Opening up the case on the firm's systems Bonding the case for the value of the assets in the case Preparing a strategy for the case	√
Initial matters on appointment	Advertising the appointment in the London Gazette Filing of the appointment, the statement of affairs and change of registered address at Companies House Delivering to creditors and members an initial report Opening an estate bank account and cash book for the case Filing of Form VAT 769 and Form VAT 7 with HMRC Notifying The Information Commissioner of the appointment Collection and archiving of company records	√
Taxation matters	Submission to HMRC of annual corporation tax returns Submission to HMRC of quarterly VAT returns / Form 426 & 833 forms	√
Case review and management	Filing of documents Periodic case reviews with team members (and advisors where appropriate) documenting case strategy Periodic reviews of bonding levels Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists and diaries Updating checklists, preparing file notes of decisions taken	√
Estate bank account administration	Monthly bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments Preparation of receipts and payments accounts	√
Pension matters	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified to the trustees of the scheme, The Pension Regulator and the Pension Protection Fund Where necessary, liaising and providing information to the trustees of the pension scheme	√
Annual progress reports	Preparing annual progress reports and delivering them to creditors and members	√
Decision procedures	Preparation of decision procedure notices, proxy and voting forms and (where appropriate) advertisements Notice of decision procedure delivered to all known creditors Collate and examine proofs and proxies and votes to conclude decisions For virtual or physical meetings: preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Responding to queries and questions following decisions Issuing notices if appropriate of result of decision procedure	√
Creditors Committee	Holding an initial meeting of the Committee Filing with Registrar of Companies documents relating to the constitution of the Committee including any changes in that constitution Reporting to Committee members at least six monthly Liaising with Committee on case strategy Calling and holding meetings of the Committee as required and the circumstances of the case dictate	
Closure	Reviewing case to ensure all matters have been finalised Submission to HMRC of final tax returns and VAT 426 & 833 forms Obtain and pay final accounts from agents, solicitors and others instructed Draft and issue final account to creditors and members File documents with Registrar of Companies Sending job files to storage	
Investigations		
SIP 2 duties	Reviewing company's books and records Reviewing the statement of affairs and the initial SIP 6 report to creditors Reviewing correspondence from third parties about their dealings with the company, making further enquiries of those third parties, where appropriate Reviewing questionnaires submitted by creditors and directors Where possible, reconstruction (whole or partial) of financial affairs of the company and preparation / review of a deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Considering how best to fund any potential actions and whether those actions are worth pursuing	√

Pretty Legs Hosiery Limited (in creditors voluntary liquidation)

Company number: 00618464

Annual progress report

	Where appropriate, liaising with the committee / creditors, solicitors and other advisors about further action, if any, to be taken Completion of a SIP 2 checklist	
Statutory reporting on conduct of director(s)	Preparing a CDDA checklist of matters to report Submission of CDDA report Where appropriate, liaising with Insolvency Service, preparation and submission of supplementary information / statements / affidavits / reports if required and assisting the Insolvency Service with its investigations	√
Examinations	Preparing instructions to solicitors Liaising with solicitors regarding conduct of examinations Attendance at examination Reviewing examination transcripts Liaising with solicitors regarding outcome of examinations and further actions available	
Litigation	Strategy meetings with solicitors and other advisors regarding litigation to be pursued Seeking and receiving funding from creditors Reviewing terms of solicitors' conditional fee agreements, if any Reviewing any brief to Counsel and prepared position statements / affidavits / witness statements Liaising with solicitors throughout Dealing with ATE insurers Attending to negotiations Attending to settlement matters	
Realisation of Assets		
Cash in hand / at bank	Taking steps to pay any cash balances into the estate account	√
Plant and equipment, motor vehicles and other tangible assets	Liaising with valuers and auctioneers and interested parties Reviewing proposed fee structure of valuers and auctioneers Reviewing asset listings and reviewing progress reports on the marketing strategy Where appropriate, liaising with secured creditors, landlords and others to ensure maximum recoveries are achieved	√
WIP	Analysing the value in WIP Where appropriate, arranging for WIP to be completed Liaising with valuers and auctioneers and interested parties if WIP has a value	
Freehold and leasehold property	Liaising with valuers and marketing agents and interested parties Reviewing proposed fee structure of valuers and marketing agents Reviewing progress reports on the marketing strategy Where appropriate, liaising with secured creditors, landlords and others to ensure maximum recoveries are achieved Dealing with tenant issues (if any) Instructing solicitors to deal with legal formalities of any sale or assignment, surrender or disclaimer	
Trade debtors	Collecting supporting documentation, eg invoices and delivery notes Reviewing and assessing recoverability of debtors' ledgers Correspondence with debtors Liaising with debt collectors and solicitors Reviewing proposed fee structure of debt collectors and solicitors Receiving updates from factoring companies and liaising re assignment of ledger Dealing with disputes, including communicating with directors/former staff	√
Directors / connected parties loan accounts	Collecting supporting documentation, eg financial statements, trail balance breakdowns Reviewing and assessing recoverability of balances Correspondence / meetings with directors / connected parties Liaising with solicitors where appropriate Reviewing proposed fee structure of solicitors	
Leases	Reviewing the terms of leases Ascertaining whether they have any value Disclaiming / seeking formal surrender of leases Liaising with solicitors where appropriate Reviewing proposed fee structure of any solicitors instructed	
Retention of title claims	Receiving initial intent of creditor to claim and providing retention of title claim form to creditor Liaising with claimant and agents to identify goods Adjudicate on retention of title claim and notify outcome to creditor Instructing agents regarding release of goods to creditor Instructing solicitors to assist in deciding claims and dealing with disputes where necessary	
Insurance	Taking out open cover insurance and completing the insurer's proposal form Identification of potential difficult issues requiring attention of insurance specialists Ongoing correspondence with brokers regarding initial and ongoing insurance requirements following sale of assets Reviewing company's previous insurance policies and correspondence with previous brokers if refunds are available	√

Pretty Legs Hosiery Limited (in creditors voluntary liquidation)

Company number: 00618464

Annual progress report

Other assets (eg intangibles, IP, VAT/corporation tax refunds, Insurance claims)	<p>Liaising with agents to agree disposal strategy and reviewing their proposed fee structure</p> <p>Dealing with potential purchasers and negotiating sales</p> <p>Liaising with solicitors to complete sales and reviewing their proposed fee structure</p> <p>Liaising with insurance companies (and directors) to pursue insurance claims</p> <p>Completion of required returns from company records to support tax refunds and communicating with HMRC for their recovery</p>	
Sale of business as a going concern	<p>Instructing and liaising with agents and preparing an information memorandum</p> <p>Liaising with potential purchasers</p> <p>Agreeing licences to trade / occupy</p> <p>Assessment and review of offers received</p> <p>Negotiating with intended purchaser</p> <p>Liaising with secured creditors and seeking releases</p> <p>Instructing solicitors to complete legal formalities of sale and</p> <p>Reviewing proposed fee structure of any agents and solicitors instructed</p> <p>Pursuing deferred sale consideration, if any</p>	
Creditors		
Dealing with employee claims	<p>Where appropriate, meeting employees and explaining their rights</p> <p>Preparing and issuing employee dismissal letters with attachments</p> <p>Assisting employees to pursue their claims against the RPO</p> <p>Examining company records to assist the completion of Forms RP14 and RP14a</p> <p>Examining company records to assist the completion of Forms RP15 and RP15a (where there is a liability to a pension scheme)</p> <p>Completion and submission to RPO of Forms RP14, RP14a and where appropriate, RP15 and RP15a</p>	v
Communication with creditors (regardless of whether a dividend is likely)	<p>Receive / respond to general creditor enquiries</p> <p>Receiving, logging and filing of creditors proofs of debt</p>	v
Where a dividend is likely	<p>Scheduling of creditors' proofs of debt</p> <p>Chasing creditors to invite them to lodge their proofs of debt</p> <p>Issue and advertise a notice of intention to pay a dividend</p> <p>Adjudicate on creditors' proofs of debt</p> <p>Request further information from creditors where necessary</p> <p>Advising creditors whose claim has been rejected (in whole or in part) of that fact</p> <p>Where appropriate, seeking solicitors' advice on the validity of complex claims</p> <p>Reviewing proposed fee structure of any solicitors instructed</p> <p>Bringing the company's PAYE / NIC affairs up to date and submitting relevant returns to HMRC to enable them to submit a proof of debt in relation to their secondary preferential claim</p>	
Dividends to creditors	<p>Preparing a distribution calculation / estimated outcome statement for creditors and where appropriate allocating the realisations and the costs of realisations between fixed and floating charges</p> <p>Making distributions to secured creditors, if applicable</p> <p>Preparing a declaration statement of a dividend to a class of creditor with a supporting receipts and payments account</p> <p>Preparing and sending out distribution letters with attachments and cheques / BACS payments receipts to each proved creditor of the class that the dividend relates to</p> <p>Preparation of related cheques/BACS payments</p> <p>Accounting to ISA for unclaimed dividends</p>	
Trading		
Initial site visits	<p>Meeting directors and senior management to discuss management of the company's affairs</p> <p>Developing a strategy to realise the assets for the best price possible</p> <p>Ensuring security of premises, computer system and accounting records and other company assets</p> <p>Meeting key employees</p> <p>Explaining the case strategy to the employees and explaining to them their rights</p> <p>Meeting where appropriate, agents, solicitors, trade union officials, government agencies and others on site</p> <p>Reviewing the case strategy at periodic intervals</p>	
Day to day matters	<p>Analysing initial state of work in progress / trading operations and reviewing the same at regular intervals</p> <p>Liaising with suppliers to secure supplies</p> <p>Negotiating with ransom creditors and establishing new accounts with utility providers</p> <p>Liaising with customers to confirm orders and secure undertakings</p> <p>Liaising with management and staff and reviewing staffing requirements</p> <p>Arranging payment of salaries and wages and paying over deductions to HMRC</p> <p>Developing and implementing systems and procedures for any ongoing trading in terms of company procedures, signing authorities, purchasing of goods and services, selling of goods and services</p>	

Pretty Legs Hosiery Limited (in creditors voluntary liquidation)

Company number: 00618464

Annual progress report

	<p>Liaising with employees, the RPO and Job Centre Plus regarding ongoing redundancies</p> <p>Issuing forms P45 when necessary</p> <p>Arranging for collection of sales ledger</p>	
<p>Accounting for ongoing trading</p>	<p>Reviewing / preparing budgets / financial statements / projections for ongoing trading</p> <p>Preparing regular financial reports</p> <p>Reviewing strategy based on actual trading results</p> <p>Accounting for VAT / PAYE / NIC / CT</p> <p>Instructing accountants where appropriate to assist in respect of accounting for ongoing trading</p> <p>Reviewing proposed fee structure of any accountants instructed</p>	

A guide to the fees and expenses charged by Redman Nichols Butler

Our Fees

Where it has been agreed by a resolution of an authorising body that our remuneration will be calculated by reference to the time properly given by us in attending to matters arising in an assignment, we charge out our time at the following hourly charge out rates:-

Grade of staff	Rate (£) from 1 April 2021
Partner	348
Senior Manager	312
Manager	296
Assistant Manager	254
Administrator	176
Support staff	114

These are our current hourly charge out rates and are exclusive of VAT. They are reviewed by us from time to time and the relevant authorising body will be advised of any alterations thereto. We record out our time in one minute units.

Our time recording system

On 1 August 2022, we introduced into our practice a new time recording system to replace our old time recording system. Up to that date, we recorded our time and disbursements on cases in our old time recording system and after that date we recorded out time and disbursements on cases in our new time recording system. In our reports to creditors / members / other financial stakeholders, if that date straddles a period on which we are reporting or straddles the duration of the life of the case and we provide details (by way of a report generated by our time recording system) of the time and / or disbursements we have incurred in that period / during the life of the case we will do so, if necessary, by way of 2 reports, one from our old time recording system and one from our new time recording system as appropriate. If any creditor / member / other financial stakeholder requires further explanation of any such reports we provide to them, they can obtain that explanation by writing to us at info@redmannicholsbutler.co.uk.

Fee estimates – our time

Where we provide to an authorising body an estimate of the time we expect to spend on an assignment, in order to give value for money whilst ensuring that only those staff with the required levels of expertise and experience carry out the work, we allocate different tasks on that assignment to different grades of staff. Our fee estimates therefore use an estimated hourly blended charge out rate for different areas of our work as follows:-

Area of work	Hourly blended charge out rate (£) from 1 April 2021
Pre appointment work	300
Administration and planning	275
Investigations	250
Realisation of assets	275
Creditors	200
Trading	275
Case specific matters	250

Fee estimates – our expenses

From time to time, we will incur expenses when carrying out work on an assignment and we will seek to be reimbursed in respect of those expenses. Any such expenses we incur can be split into two categories, Category 1 and Category 2. Category 1 expenses are expenses that are directly attributable to the assignment and not paid to an associate of us. We will seek to recover these types of expenses without approval from the relevant authorising body. Examples of such expenses include insolvency bonds, advertising, company searches and post redirection orders. Category 2 expenses are expenses that are paid to any associate of us or which have an element of shared costs. We will seek to recover these types of expense only with approval from the relevant authorising body in the same way that we seek approval from that body in respect of our remuneration for the time that we spend on an assignment. There are only two types of Category 2 expenses for which we will seek reimbursement; staff mileage expenses (at 45p per mile) and archive costs of an insolvent entity's records (at £16 per box, to include the original cost of the box, its secure storage and then its subsequent destruction). These standard unit charge rates are reviewed by us from time to time and the relevant authorising body will be advised of any alterations thereto.

We will seek reimbursement only for those Category 2 expenses that we actually incur on an assignment. However, solely for the purposes of obtaining approval from an authorising body of an estimate of any Category 2 expenses we may incur on an assignment, we will allocate that assignment to one of three sizes: small, medium or large and using that allocation, the estimate of the Category 2 expenses we expect to incur on that assignment which we will provide to that authorising body will be calculated as follows:-

Size of assignment	Staff mileage		Archive costs		Category 2 expenses estimate (£)
	Miles	Cost (£)	No of boxes	Cost (£)	
Small	< 400 miles	180	< 15 boxes	240	420
Medium	< 600 miles	270	< 30 boxes	480	750
Large	< 1000 miles	450	< 50 boxes	800	1,250

A guidance note and further information in relation to insolvency office holders' fees is available at www.R3.org.uk or <https://insolvency-practitioners.org.uk/regulation-and-guidance/creditors-guides-to-fees/>. Further information about creditors' rights in insolvencies can be obtained at <http://www.creditorinsolvencyguide.co.uk/>.

Last updated on 30 June 2022

Pretty Legs Hosiery Limited - In Creditors' Voluntary Liquidation
Receipts and Payments Account & Estimated Outcome Statement
14-Jul-23

Date of appointment 20-Jun-22
Final date for proving: N/A

	Statement of Affairs	Receipts and payments		Estimated	
	£	20 June 2022 to 19 June 2023 £	19 June 23 to date £	Future £	Total £
Assets specifically pledged					
None		0	0	0	0
	0	0	0	0	0
Assets not specifically pledged					
Plant and machinery	150,000	123,650	0	0	123,650
Stock	uncertain	30,000	0	0	30,000
Motor vehicles	4,000	4,500	0	uncertain	4,500
Debtors	uncertain	35,256	0	uncertain	35,256
Cash in hands of accountants	261	4,749	0	0	4,749
CT refund	-	11,837	0	0	11,837
Bank interest	-	1,154	232	uncertain	1,386
		211,146			211,378
Total	154,261	211,146	232	0	211,378
Costs and expenses of liquidation					
Accountancy costs		(4,018)	0	0	(4,018)
Agents fees		(25,976)	0	0	(25,976)
Insurance of assets		(951)	0	0	(951)
Statement of affairs fees		(2,875)	0	0	(2,875)
Convening costs		0	0	(12,500)	(12,500)
Convening expenses		0	0	(201)	(201)
Office holder's remuneration		0	0	(50,000)	(50,000)
Office holder's expenses		0	0	(1,500)	(1,500)
Legal costs		0	0	uncertain	0
Corporation tax		0	(234)	uncertain	(234)
VAT		(804)			(804)
Total costs		(34,623)	(234)	(64,201)	(99,058)
Balance available for creditors	154,261	176,523	(2)	(64,201)	112,320

Redman|Nichols|Butler

Pretty Legs Hosiery Limited – in liquidation ***Company number: 00618464***

Fee Estimate Pack

Contents	Included
Summary of the fee estimate pack for creditors (if approved by them)	
Definitions and explanatory notes	✓
Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of pre appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate	✓
A guide to the fees and expenses charged by Redman Nichols Butler	✓
Pre appointment fee estimate	✓
Report of pre appointment time and expenses incurred to date which are payable by the estate	
Post appointment fee estimate	✓
Report of post appointment time and expenses incurred to date	✓

Summary of the fee estimate pack for creditors (if approved by them)	£ or %
Total value of post appointment fee estimate in respect of time	50,000
Total value of pre appointment - fixed	12,500
Size of case for the purposes of CAT 2 expenses	large
Total value of fee estimate in respect of CAT 2 expenses	1,250
Expected dividend to preferential creditors	100
Expected dividend to secondary preferential creditors	Uncertain
Expected dividend to non preferential unsecured creditors	0

Definitions

Word or phrase	Meaning
RNB	Redman Nichols Butler
SIP	Statement of Insolvency Practice
IA1986	Insolvency Act 1986 (as amended)
IR2016	Insolvency (England and Wales) Rules 2016 (as amended)
ISA	Insolvency Services Account
DPA	Data Protection Act 2018 (as amended)
CDDA	Company Directors Disqualification Act 1986 (as amended)
RPO	Redundancy Payments Office
CAT 2 expenses	Archive / storage costs and mileage claims of RNB staff and directors
ATE Insurance / insurers	After the event insurance used in civil litigation to provide protection against legal costs

Explanatory notes

1. Fee estimates are required to be prepared and delivered to creditors when they are being asked to fix the basis of the office holder's remuneration by reference to time properly given by the office holder and the office holder's staff in attending to matters arising in the case in the following types of insolvency proceedings: administrations, insolvent liquidations and bankruptcies.
2. Rule 18.16 of the IR2016 requires that details of the work the office holder proposes to undertake and details of the expenses he considers will be, or are likely to be incurred, accompany a fee estimate. This fee estimate pack provides that further information by the methodology of stating by way of "ticks" (✓) whether or not the relevant work or expenses that might be incurred on an insolvency case will be or is likely to be incurred in this particular case, together with comments specific to this case on any expenses to be incurred or likely to be incurred, where appropriate. Such comments might include monetary estimates of the expenses to be incurred or likely to be incurred. Such estimates will, in order to give business efficacy to the administration of the case and to be proportionate to the benefit achieved in giving such estimates, be generally limited to the estimates of professional costs of other firms instructed or likely to be instructed by the office holder or insolvent entity and to other expenses where the monetary value is significant in the overall context of the case. Any such work proposed to be undertaken will either be of benefit to the estate or required by law or best practice.
3. Prior to accepting an appointment as an office holder, insolvency practitioners often carry out work in respect of the insolvent entity. The costs ("pre appointment costs") in carrying out such pre appointment work is either payable by the insolvent estate once it enters into an insolvency process or not payable by the insolvent estate once it enters into an insolvency process. SIP 9 provides that any such pre appointment costs that are payable to the firm of the office holder and which are payable by the insolvent estate once it enters into an insolvency process must be approved in the same or a similar manner to the way in which the remuneration of the office holder is approved. SIP 9 also provides that any expenses of the office holder that are payable to the firm of the office holder or any associate of his or which involve an element of overheads of his firm must also be approved in the same or a similar manner to the way in which the remuneration of the office holder is approved.

4. Generally, it will only be in administration or creditors voluntary liquidation cases (and not bankruptcy or compulsory liquidation cases) where RNB will incur material amounts of pre appointment costs and thus seek approval from creditors for their pre appointment costs payable by the insolvent estate to be paid as an expense of the insolvent estate. Sometimes those pre appointment costs payable by the insolvent estate are paid by the insolvent entity prior to it entering into an insolvency proceeding. Where that happens, the amount paid will be disclosed to creditors at the first available opportunity. Sometimes RNB will be paid by the insolvent entity (or on its behalf) before it enters into an insolvency proceeding in respect of pre appointment costs which are not payable by the insolvent estate. Where that happens, the amount paid will be disclosed to creditors at the first available opportunity.
5. Usually fee estimates will be delivered to creditors at a time when the office holder or his firm will already have spent time and incurred costs in relation to the affairs of the insolvent entity. Accordingly, to properly inform creditors, where this is the case, this fee estimate pack includes reports of time and expenses actually incurred to date whether in respect of work carried out as office holder (“post appointment costs”) or pre appointment costs payable by the insolvent estate, which reports show comparisons with the fee estimate and whether that fee estimate has been approved by creditors or not. It also shows amounts billed to date in respect of those costs.
6. Where creditors are asked to fix the basis of the office holder’s remuneration by reference to a set amount, the information in this fee estimate pack has been prepared and is to be used solely to provide an explanation to creditors as to why it is considered that that set amount is fair and reasonable taking into account the work that it is expected to be done in attending to matters arising in the case.
7. Any queries regarding the information provided in this fee estimate pack should be directed to RNB by way of email at info@redmannicholsbutler.co.uk.

Pretty Legs Hosiery Limited – in liquidation
Company number: 00618464

Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of post appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate			If work is expected to be done - tick (✓)	Expenses to be, or likely to be, incurred	Comments on expenses to be, or likely to be, incurred	If expenses are, or are expected to be, incurred - tick (✓)
Pre appointment costs payable by the estate						
Creditors voluntary liquidations	Assistance to the directors in preparing a statement of affairs compliant with Section 99 of the IA1986 and in preparing a SIP 6 compliant report to members and creditors Assistance to the directors in convening and holding a decision procedure under Section 100 of the IA 1986 and Part 15 of the IR2016 Undertaking such other work as is necessary to facilitate that assistance (eg liaising with creditors and other stakeholders, preparing supporting accounts and accounting schedules, examining, writing up and bringing up to date the accounting records of the insolvent entity, making due enquiry of the directors and others to seek explanations where required) Complying with money laundering, client identification and ethical compliance duties		✓	Postage	£201	✓

Pretty Legs Hosiery Limited – in liquidation
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Post appointment

Administration and Planning					
Case set up	Opening up the case on the firm's systems Bonding the case for the value of the assets in the case Preparing a strategy for the case	✓	Specific penalty bond costs	Cost is determined by the estimated value of the assets in the estate	✓
Initial matters on appointment	Advertising the appointment in the London Gazette In corporate cases, filing of the appointment, the statement of affairs (in creditors voluntary liquidations) and change of registered address at Companies House In compulsory liquidations and bankruptcies, liaising with The Insolvency Service regarding the handover of the case Delivering to creditors (and in corporate case, members) an initial report In bankruptcy cases, notifying the bankrupt of the appointment In compulsory liquidations, notifying the directors of the appointment In administration cases, notify appointment to others required by law, eg petitioning creditor, execution creditors and the company Opening an estate bank account and cash book for the case Filing of Form VAT 769 and Form VAT 7 with HMRC Notifying the DPA Information Commissioner of the appointment Collecting and archiving of the insolvent entity's records Effecting where necessary a redirection of post Complying with money laundering, client identification and ethical compliance duties	✓	Advertising costs of the appointment in the London Gazette and / or a local newspaper Postage Archive and storage box costs	£172.00 £82.20 £835.00	✓
Taxation matters	In corporate cases, submission to HMRC of annual corporation tax returns Submission to HMRC of quarterly VAT returns and regular submission of Form 426 & 833 forms	✓	Corporation tax	At standard rates	
Case review and management	Filing of documents Periodic office holder case reviews with team members (and advisors where appropriate) documenting case strategy Periodic reviews of bonding levels Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists and diaries Updating checklists, preparing file notes of decisions taken		Specific penalty bond costs	If an increase in the level of the specific penalty bond is required, a further cost is payable	
Estate bank account administration	Monthly bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments Preparation of receipts and payments accounts	✓	Bank charges	Bank charges will depend on the number of transactions processed and whether or not the ISA is to be used which is only used in compulsory liquidations and bankruptcies	

Pretty Legs Hosiery Limited – in liquidation
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Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of post appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate		If work is expected to be done - tick (✓)	Expenses to be, or likely to be, incurred	Comments on expenses to be, or likely to be, incurred	If expenses are, or are expected to be, incurred - tick (✓)
Pension matters	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified to the trustees of the scheme, The Pension Regulator and the Pension Protection Fund Where necessary, liaising and providing information to the trustees of the pension scheme	✓			
6 monthly / annual progress reports	Preparing annual (6 monthly in administrations) progress reports and delivering them to creditors (and in corporate cases, also the members, as well as filing those reports at Companies House)	✓			
Decision procedures	Preparing decision procedure notices, accompanying reports, proxy and voting forms and (where appropriate) advertisements Delivering to creditors notices of decision procedures Collating and examining proofs and proxies and votes to conclude decisions For virtual or physical meetings: preparing a meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Responding to queries and questions following decisions Issuing notices if appropriate of result of decision procedure	✓	Advertising costs of the decision procedure in the London Gazette and / or a local newspaper		
Creditors Committee	Holding an initial meeting of the Creditors Committee In corporate cases, filing with Companies House documents relating to the constitution of the Creditors Committee including any changes in that constitution Reporting to Creditor's Committee members at least six monthly Liaising with Creditor's Committee on case strategy Calling and holding meetings of the Creditors Committee as required and the circumstances of the case dictate				
Closure	Reviewing case to ensure all matters have been finalised Submission to HMRC of final tax returns and VAT 426 & 833 forms Obtaining and paying final accounts from agents, solicitors and others instructed Drafting and issuing final account to creditors (and in corporate cases, to the members as well as filing the same with Companies House) and in administrations to those others required by law In compulsory liquidations and bankruptcies, serving a copy of the final account on the Insolvency Service, the court, the ISA and the bankrupt where appropriate Cancel specific penalty bond for the case and sending job files to storage	✓			
Investigations					
SIP 2 duties – corporate cases only	Reviewing insolvent entity's books and records Reviewing the statement of affairs and, in creditors' voluntary liquidations, the initial SIP 6 report to creditors Reviewing correspondence from third parties about their dealings with the insolvent entity, making further enquiries of those third parties, where appropriate Reviewing questionnaires submitted by creditors and directors Where possible, reconstructing (whole or partial) the financial affairs of the company and preparing / reviewing a deficiency statement	✓	Legal costs in instructing solicitors or counsel in relation to possible actions against third parties		

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	Reviewing specific transactions and liaising with directors regarding certain transactions Considering how best to fund any potential actions and whether those actions are worth pursuing Where appropriate, liaising with the committee / creditors, solicitors and other advisors about further action, if any, to be taken				
Statutory reporting on conduct of director(s) – administrations and creditors voluntary liquidations only	Submitting a CDDA report Where appropriate, liaising with the Insolvency Service, preparation and submission of supplementary information / statements / affidavits / reports if required and assisting the Insolvency Service with its investigations	✓			
Examinations	Preparing instructions to solicitors Liaising with solicitors regarding conduct of examinations Attending at examinations Reviewing examination transcripts Liaising with solicitors regarding outcome of examinations and further actions available		Legal costs in instructing solicitors or counsel in relation to examinations		
Litigation	Attending strategy meetings with solicitors and other advisors regarding litigation to be pursued Seeking and receiving funding from creditors Reviewing terms of solicitors' conditional fee agreements, if any Reviewing any brief to Counsel and prepared position statements / affidavits / witness statements Liaising with solicitors throughout Dealing with ATE insurers Attending to negotiations Attending to settlement matters		Legal costs in instructing solicitors or counsel in relation to litigation ATE insurance premiums		
Realisation of Assets					
Cash in hand / at bank	Taking steps to pay any cash balances into the estate bank account Recovering cash balances from the insolvent entity's bank accounts	✓			
Plant and equipment, motor vehicles and other tangible assets	Instructing and liaising with valuers, agents and auctioneers and dealing with queries from interested parties Reviewing proposed fee structure of valuers, agents and auctioneers Reviewing asset listings and reviewing progress reports on the marketing strategy Where appropriate, liaising with secured creditors, landlords and others to ensure maximum recoveries are achieved Dealing with assets subject to various forms of finance	✓	Agency costs arising from instructing agents	Agents costs (Gilbert Baitson) £29,976	✓
WIP	Analysing the value in WIP Where appropriate, arranging for WIP to be completed Liaising with valuers, agents and auctioneers and interested parties if WIP has a value		Agency costs arising from instructing agents		

Pretty Legs Hosiery Limited – in liquidation
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Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of post appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate		If work is expected to be done - tick (✓)	Expenses to be, or likely to be, incurred	Comments on expenses to be, or likely to be, incurred	If expenses are, or are expected to be, incurred - tick (✓)
Freehold and leasehold property	Instructing and liaising with valuers and marketing agents and interested parties Reviewing proposed fee structure of valuers and marketing agents Reviewing progress reports on the marketing strategy Where appropriate, liaising with secured creditors, landlords and others to ensure maximum recoveries are achieved Dealing with tenant issues (if any) Instructing solicitors to deal with legal formalities of any sale or assignment, surrender or disclaimer		Agency costs arising from instructing agents including the costs of obtaining any required energy performance certificate Legal costs incurred in instructing solicitors to deal with the legal formalities of selling / realising freehold / leasehold property, including Land Registry fees Legal costs incurred in instructing solicitors to deal with disclaimers / surrenders		
Trade debtors	Collecting supporting documentation, eg invoices and delivery notes Reviewing and assessing recoverability of debtors' ledgers Correspondence with debtors Liaising with debt collectors and solicitors Reviewing proposed fee structure of debt collectors and solicitors Receiving updates from factoring companies and liaising re assignment of ledger Dealing with disputes, including communicating with directors/bankrupt/former staff	✓	Debt collection costs arising from instructing debt collectors, including court fees, where appropriate	Harrowells solicitors have been instructed to assist and their fees are to be on a time costs basis	✓
Directors / connected parties loan accounts	Collecting supporting documentation, eg financial statements, trial balance breakdowns Reviewing and assessing recoverability of balances Correspondence / meetings with directors / connected parties Instructing and liaising with solicitors and accountants where appropriate Reviewing proposed fee structure of solicitors and accountants		Accountancy costs arising from instructing accountants to ascertain balances due on loan accounts Legal costs incurred in taking proceedings in respect of loan account balances, including court fees, where appropriate		
Leases	Reviewing the terms of leases Ascertaining whether they have any value Disclaiming / seeking formal surrender of leases Liaising with solicitors where appropriate Reviewing proposed fee structure of any solicitors instructed		Legal costs incurred in instructing solicitors to deal with disclaimers / surrenders		
Retention of title claims	Receiving initial intent of creditor to claim and providing retention of title claim form to creditor Liaising with claimant (and agents) to identify goods Adjudicating on retention of title claim and notifying outcome to creditor Instructing agents regarding release of goods to creditor Instructing solicitors to assist in deciding claims and dealing with disputes where necessary		Agency costs arising from instructing agents		

Pretty Legs Hosiery Limited – in liquidation
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Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of post appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate		If work is expected to be done - tick (✓)	Expenses to be, or likely to be, incurred	Comments on expenses to be, or likely to be, incurred	If expenses are, or are expected to be, incurred - tick (✓)
			Legal costs arising from instructing solicitors to deal with retention of title claims		
Insurance	Taking out open cover insurance and completing the insurer's proposal form Identification of potential difficult issues requiring attention of insurance specialists Ongoing correspondence with brokers regarding initial and ongoing insurance requirements following sale of assets Reviewing company's previous insurance policies and correspondence with previous brokers if refunds are available	✓	Open cover insurance premiums, including insurance premium tax	£951.00	✓
Other assets (eg intangibles, IP, VAT/other tax refunds, insurance claims	Liaising with agents to agree disposal strategy and reviewing their proposed fee structure Dealing with potential purchasers and negotiating sales Liaising with solicitors to complete sales and reviewing their proposed fee structure Liaising with insurance companies to pursue insurance claims Completion of required returns from insolvent entity's records to support tax refunds and communicating with HMRC for their recovery		Agency, accountancy or legal costs arising from any instructions given		
Sale of business as a going concern	Instructing and liaising with agents and preparing an information memorandum Liaising with potential purchasers Agreeing licences to trade / occupy Assessing and reviewing offers received Negotiating with intended purchaser Liaising with secured creditors and seeking releases Instructing solicitors to complete legal formalities of sale Reviewing proposed fee structure of any agents and solicitors instructed Pursuing deferred sale consideration, if any		Costs arising from instructing agents and / or solicitors		
Creditors					
Dealing with employee claims	Where appropriate, meeting employees and explaining their rights Preparing and issuing employee dismissal letters with attachments Assisting employees to pursue their claims against the RPO Consulting with / providing information to employees as regards possible redundancies Examining company records to assist the completion of Forms RP14 and RP14a Examining company records to assist the completion of Forms RP15 and RP15a (where there is a liability to a pension scheme) Completion and submission to RPO of Forms RP14, RP14a and where appropriate, RP15 and RP15a	✓			
Communication with creditors (regardless of whether a dividend is likely)	Receiving / responding to general creditor enquiries Receiving, logging and filing of creditors proofs of debt	✓			

Pretty Legs Hosiery Limited – in liquidation
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Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of post appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate		If work is expected to be done - tick (✓)	Expenses to be, or likely to be, incurred	Comments on expenses to be, or likely to be, incurred	If expenses are, or are expected to be, incurred - tick (✓)
Where a dividend is likely	Scheduling of creditors' proofs of debt Chasing creditors to invite them to lodge their proofs of debt Issuing and advertising a notice of intention to pay a dividend Adjudicating on creditors' proofs of debt Requesting further information from creditors where necessary Advising creditors whose claim has been rejected (in whole or in part) of that fact Where appropriate, seeking solicitors' advice on the validity of complex claims Reviewing proposed fee structure of any solicitors instructed Bringing the company's PAYE / NIC / CT affairs up to date and submitting relevant returns to HMRC to enable them to submit a proof of debt in relation to their secondary preferential claim or unsecured claims	✓	Advertising costs of the notice of intended dividend in the London Gazette and / or a local newspaper Accountancy or legal costs arising from any instructions given	£88.00	✓
Dividends to creditors	Preparing a distribution calculation / estimated outcome statement for creditors and where appropriate allocating the realisations and the costs of realisations between fixed and floating charges Making distributions to secured creditors, if applicable Preparing a declaration statement of a dividend to a class of creditor with a supporting receipts and payments account Preparing and sending out distribution letters with attachments and cheques / BACS payments to each proved creditor of the class that the dividend relates to Preparation of related cheques/BACS payments Accounting to the ISA for unclaimed dividends	✓			
Trading					
Initial site visits	Meeting directors / bankrupt and senior management to discuss management of the insolvent entity's affairs Developing a strategy to realise the assets for the best price possible Ensuring security of premises, computer systems and accounting records and other assets of the insolvent entity Meeting key employees, explaining the case strategy to the employees and explaining to them their rights Meeting where appropriate, agents, solicitors, trade union officials, government agencies and others on site Reviewing the case strategy at periodic intervals		Mileage claims in travelling to meetings at the insolvent entity's premises or the premises of others		
Day to day matters	Analysing initial state of work in progress / trading operations and reviewing the same regularly Meeting with employees and issuing to them standard non adoption letters Liaising with suppliers to secure supplies Negotiating with ransom creditors and establishing new accounts with utility providers Liaising with customers to confirm orders and secure undertakings Liaising with management and staff and reviewing staffing requirements Arranging payment of salaries and wages and paying over deductions to HMRC		Mileage claims in travelling to meetings at the insolvent entity's premises or the premises of others		

Pretty Legs Hosiery Limited – in liquidation
Company number: 00618464

Schedule of work proposed to be carried out by the office holders of the insolvent estate with details of the expenses the office holders will, or are likely to incur, together with a schedule of post appointment work carried out or to be carried out (with expenses incurred or likely to be incurred) which is payable by the estate		If work is expected to be done - tick (✓)	Expenses to be, or likely to be, incurred	Comments on expenses to be, or likely to be, incurred	If expenses are, or are expected to be, incurred - tick (✓)
	Developing and implementing systems and procedures for any ongoing trading in terms of standard policies and procedures, signing authorities, purchasing of goods and services, selling of goods and services Liaising with employees, the RPO and Job Centre Plus regarding ongoing redundancies Issuing P45 forms when necessary Arranging for collection of sales ledger				
Accounting for ongoing trading	Reviewing / preparing budgets / financial statements / projections for ongoing trading Preparing regular financial reports and reviewing strategy based on actual trading results Accounting for VAT / PAYE / NIC / CT Instructing accountants where appropriate to assist in respect of accounting for ongoing trading Reviewing proposed fee structure of any accountants instructed		Accountancy costs arising from any instructions given		
Case specific matters					
Case specific work	In the event that other work is expected to be done in this case that is not adequately or sufficiently described in the generic notes or narrative above, that further work is described in this section, with details of the expenses to be, or likely to be, incurred also provided in this section, together with any appropriate comments	✓	We have been asked by the Trustee's of the pension scheme to assist in recovery of VAT against invoices raised for the administration of an employee pension scheme by its employer	The costs have been agreed with the Trustee's of the pension scheme at £3,250 plus VAT and will be paid by them	

Pretty Legs Hosiery Limited - in liquidation

SIP9 Breakdown

Post Appointment (payable by the estate)

To date:

	Total Hours	Total Costs	Charge out Rate
Administration	50.37	12,933.61	256.77
Investigations	8.00	2,550.00	318.75
Realisation of Assets	27.5	8,313.33	302.30
Creditors	16.92	4,421.40	261.31
Trading		-	-
Case Specific		-	-
Total	102.79	28,218.34	274.52

Future:

	Total Hours	Total Costs	Charge out Rate
Administration	34.75	9,556.25	275
Investigations	0	-	250
Realisation of Assets	22.5	6,187.50	275
Creditors	30.25	6,050.00	200
Trading	-	-	-
Case Specific	-	-	-
Total	87.5	21,793.75	249.07

Total:

	Total Hours	Total Costs	Charge out Rate
Administration	85.12	22,489.86	264.21
Investigations	8.00	2,550.00	318.75
Realisation of Assets	50	14,500.83	290.02
Creditors	47.17	10,471.40	221.99
Trading		-	-
Case Specific		-	-
Total	190.29	50,012.09	262.82

Redman Nichols Butler

TIME & CHARGEOUT SUMMARIES

Pretty Legs Hosiery Ltd

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	4.62	3.17	0.00	1.58	9.37	2,822.61	301.35
Realisation of Assets	2.58	6.92	0.00	0.00	9.50	2,946.33	310.14
Creditors	4.25	0.33	0.00	0.00	4.58	1,577.66	344.22
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	3,984.60	3,083.34	0.00	278.66		7,346.60	
Total Hours	11.45	10.42	0.00	1.58	23.45		
Average Rate	348.00	296.00	0.00	176.00			

CATEGORY 1 + 2 DISBURSEMENTS

Type & Purpose			Amount £
26/06/2022	Category 2 - Postage	Notice of appointment	82.20
05/07/2022	Category 1 - Advertising	Notice of appointment & Resolutions	172.00
			254.20

Pretty Legs Hosiery Limited

Date of Report: 14 July 2023
Period From: 01 August 2022 To: 19 June 2023
Case Type CVL

Fee estimate approved	No
Value of Pre time estimate	
Value of Post time estimate	
Size of case for CAT 2 exp estimate	
Value of CAT 2 exp estimate	

Abbreviation	Meaning	Abbreviation	Meaning
PTR	Partner	AHR	Average hourly rate (£)
SM	Senior Manager	HBR	Hourly blended rate (£)
MAN	Manager		
AM	Assistant Manager		
AD	Administrator		
SS	Support Staff		

Basic SIP 9: Actual time costs incurred and bills raised in reporting period and during life of assignment

Post Appointment (payable by the estate)

Time	Actual hours spent and bills raised in the reporting period														Fees estimate			Variances with fee estimate	
	PTR	SM	MAN	AM	AD	SS	Total Hours	Total Cost £	AHR £	Bills Raised £	Total Hours	Total Cost £	AHR £	Bills Raised £	Total Hours	Total Cost £	HBR £	Hours	Cost £
POST Administration and Planning Time	5.90	-	16.75	-	5.00	10.00	37.65	9,186.60	244.00	-	41.00	10,111.00	246.61	-	-	-	-	(41.00)	(10,111.00)
POST Case Specific Time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POST Creditors Time	5.81	-	-	-	-	6.28	12.09	2,799.80	231.58	-	12.34	2,843.80	230.45	-	-	-	-	(12.34)	(2,843.80)
POST Investigation Job Time	3.50	-	4.50	-	-	-	8.00	2,550.00	318.75	-	8.00	2,550.00	318.75	-	-	-	-	(8.00)	(2,550.00)
POST Realisation of Assets Time	0.75	-	17.25	-	-	-	18.00	5,367.00	298.17	-	18.00	5,367.00	298.17	-	-	-	-	(18.00)	(5,367.00)
POST Trading Time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	15.96	-	38.50	-	5.00	16.28	75.74	19,903.40	262.79	-	79.34	20,871.80	263.07	-	-	-	0.00	(79.34)	(20,871.80)

Expenses	In reporting period			
	Incurred £	Billed £	Incurred £	Billed £
Archive storage / destruction	835.00	-	835.00	-
Specific penalty bond	316.80	-	316.80	-
Totals	1,151.80	-	1,151.80	-

Notes
Hours are recorded as decimals - eg 0.5 equals 30 minutes.

NOTICE OF DECISION PROCEDURE

Company Name: Pretty Legs Hosiery Limited - in Liquidation ("the Company")

Company Number: 00618464

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Liquidators of the Company, John William Butler and Andrew James Nichols, of Redman Nichols Butler, The Chapel, Bridge Street, Driffield, YO25 6DA (telephone number 01377 257788), by the creditors.

It is proposed that the following decisions be made:

1. That a liquidation committee be established if sufficient nominations are received
2. That the costs of Redman Nichols Butler in relation to their instructions in respect of convening the deemed consent procedure and in relation to their instructions to prepare the statement of affairs be a fixed amount of £12,500 plus disbursements plus VAT
3. That the liquidators' fees be based on time spent by them and their staff in dealing with all the aspects and matters of the case, including those undertaken at the request of the creditors, and that they be at liberty to draw fees in accordance with the foregoing resolution without further reference to creditors. However, these fees may not exceed the fee estimate given to creditors; and
4. That the liquidators are to be reimbursed for any expenses or necessary disbursements properly charged or incurred in the course of carrying out their duties. These expenses include category 1 and category 2 disbursements. The basis on which the category 2 disbursements are charged is disclosed within "A creditor's guide to the fees and disbursements charged by Redman Nichols Butler". The liquidators are at liberty to draw and pay these expenses and disbursements in accordance with the foregoing resolution without further reference to creditors

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

By post to: Redman Nichols Butler, The Chapel, Bridge Street, Driffield, YO25 6DA

By email to: info@redmannicholsbutler.co.uk

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

All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, being 31 August 2023

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

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

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

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

Invitation to Form a Committee

Creditors are invited to nominate creditors (which may include themselves) by completing the relevant section on the proxy form and returning it to the Convener by one of the methods listed above.

All nominations must be delivered before the virtual meeting commences.

Nominations can only be accepted if the Convener is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules. For further information on the role of Liquidation Committees, go to:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>

Signed:  _____ Dated: 17 July 2023
J W Butler
Joint Liquidator

VOTE BY CORRESPONDENCE

Pretty Legs Hosiery Limited - in Liquidation

Name of Creditor: _____

Address: _____

Decisions:

1	That a liquidation committee be established if sufficient nominations are received and those nominated are willing to be members of a Committee. I nominate the following creditor to be a member of a Liquidation Committee <u>and they have confirmed that they are willing to act:</u> _____	*For / Against
2	That the costs of Redman Nichols Butler in relation to their instructions in respect of convening the deemed consent procedure and in relation to their instructions to prepare the statement of affairs be a fixed amount of £12,500 plus disbursements plus VAT	*For / Against
3	That the liquidators' fees be based on time spent by them and their staff in dealing with all the aspects and matters of the case, including those undertaken at the request of the creditors, and that they be at liberty to draw fees in accordance with the foregoing resolution without further reference to creditors. However, these fees may not exceed the fee estimate given to creditors	*For / Against
4	That the liquidators are to be reimbursed for any expenses or necessary disbursements properly charged or incurred in the course of carrying out their duties. These expenses include category 1 and category 2 disbursements. The basis on which the category 2 disbursements are charged is disclosed within "A creditor's guide to the fees and disbursements charged by Redman Nichols Butler". The liquidators are at liberty to draw and pay these expenses and disbursements in accordance with the foregoing resolution without further reference to creditors	*For / Against

* Please delete as applicable to indicate your voting instructions

Signed: _____ Dated: _____

Name in capitals: _____

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

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

Yes / No

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

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is **delivered** by 23.59 on 31 August 2023, by:

Post: Redman Nichols Butler, The Chapel, Bridge Street, Drifffield, YO25 6DA

Email: please scan in a signed copy of this form and attach it as a pdf to
info@redmannicholsbutler.co.uk

Pretty Legs Hosiery Limited – in liquidation
Company number: 00618464

Proof of debt form

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