

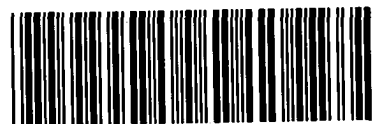
LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



ABZUGQP

A04

22/03/2023

#167

COMPANIES HOUSE

1 Company details

Company number 0 0 7 9 6 2 5 6

Company name in full Lowfield Printing Co. Limited (The)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nicholas

Surname Myers

3 Liquidator's address

Building name/number 45 Gresham Street

Street

Post town London

County/Region

Postcode E C 2 V 7 B G

Country

4 Liquidator's name^①

Full forename(s) Henry Anthony

Surname Shinnars

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address^②

Building name/number 45 Gresham Street

Street

Post town London

County/Region

Postcode E C 2 V 7 B G

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 1 | ^d 6 | ^m 1 | ^m 0 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |
| To date | ^d 1 | ^d 5 | ^m 1 | ^m 0 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 1 | ^d 3 | ^m 1 | ^m 2 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

LIQ03

Notice of progress report in voluntary winding up



Presenter information

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

Contact name Philip Hemming

Company name Evelyn Partners LLP

Address 45 Gresham Street

Post town London

County/Region

Postcode EC2V 7BG

Country

DX

Telephone 020 7131 4000



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:

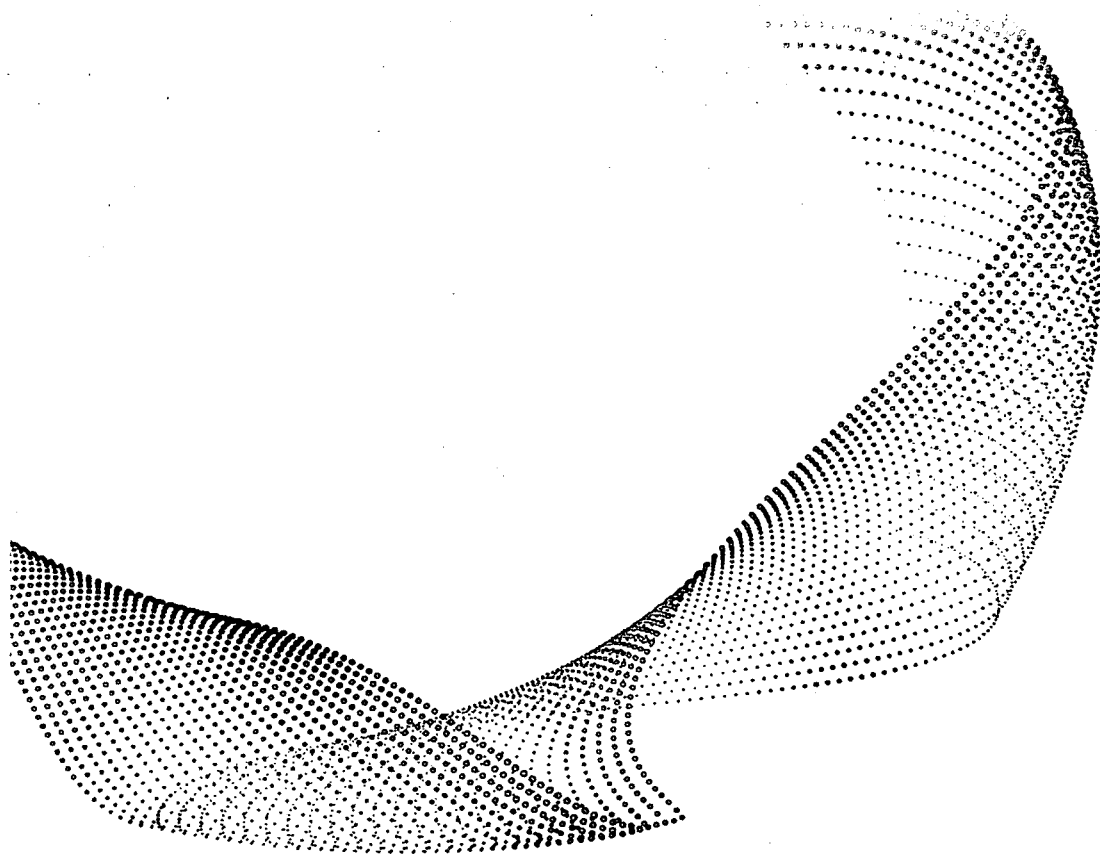
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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



Lowfield Printing Co. Limited (The) (in creditors' voluntary liquidation)

Joint liquidators' annual progress report for the period from 16 October 2021 to
15 October 2022

13 December 2022

evelyn
PARTNERS

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1. Glossary

| Abbreviation | Description |
|-----------------------------------|--|
| the Company | Lowfield Printing Co. Limited (The) |
| the liquidators/joint liquidators | Nicholas Myers and Henry Anthony Shinnars |
| ETR | Estimated to realise |
| HMRC | Her Majesty's Revenue and Customs |
| IA86 | Insolvency Act 1986 If preceded by S this denotes a section number |
| IR16 | Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number |
| IR86 | Insolvency Rules 1986, as revoked by IR16 If preceded by R, this denotes a rule number |
| QFCH | Qualifying Floating Charge Holder – a secured creditor who has the power to appoint an administrator |
| SIP | Statement of Insolvency Practice (England & Wales) |
| SOA | Statement of Affairs |
| RPS | Redundancy Payments Service |

[Amend above and insert bespoke abbreviations as required]

2. Introduction and Summary

This report provides an update on the progress of the liquidation of the Company for the period ended 15 October 2022 and should be read in conjunction with any previous reports.

By way of reminder, Nicholas Myers and Henry Anthony Shinnars of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG were appointed liquidators of the Company on 16 October 2018 following a creditors meeting.

From 14 June 2022, we are operating under a single new brand to offer the best of everything we do, and the firm's name has changed to Evelyn Partners LLP. Please note that this is a change to our brand only and that the services provided are unaffected.

Please also be aware that we have recently changed our postal and registered office address to 45 Gresham Street, London EC2V 7BG. Where applicable, please update your records accordingly.

The principal trading address of the Company was 9 Kennet Road, Thames Road, Crayford, Kent, DA1 4QT.

The Company's registered office is 45 Gresham Street, London, EC2V 7BG and its registered number is 00796256.

3. Realisations of assets

Attached at Appendix I is our receipts and payments account for the period from 16 October 2021 to 15 October 2022. This account includes cumulative figures for the period from 16 October 2018 to 15 October 2022.

The receipts and payments account also includes a comparison with the director's SOA values.

3.1 Unfactored Book Debts

At the time of our last report, the prospect of additional unfactored book debt recoveries remained doubtful, however, given the outstanding balance, it was considered in creditors' interests for the liquidators to undertake a final attempt to maximise realisations. As a result of our efforts, a further £1,079 was received from a trade debtor, bringing total realisations in this regard to £9,897 (being approximately 48% of the ETR value stated within the directors' SOA).

Based on our investigations and responses received from the remaining debtors, the balance of the remaining book debts has been deemed unrealisable and written off.

3.2 Sundry refunds

A refund of £180 was received from HSBC Bank plc in respect of overpaid bank charges from pre-liquidation period.

4. Creditors

Please note that, where creditors have submitted claims in foreign currency, they have been converted to £Sterling (GBP) at the applicable rate on the date of liquidation, being 16 October 2018. If any creditor considers the rate to be unreasonable, they may apply to court for determination.

4.1 Secured Creditors

4.1.1 HSBC

HSBC holds a fixed and floating charge over the Company's assets, created on 8 September 1998 and delivered to Companies House on 15 September 1998. In addition, HSBC holds a charge over factored book debts by way of a factoring agreement and charge registered at Companies House dated 9 December 1981. It should be noted that the charges are in the name of Midlands Bank Plc, now known as HSBC.

At the date of the liquidation the indebtedness to HSBC was estimated at £118,860. HSBC have since advised the balance to be £67,736 and have been collecting the Company's book debts under the factoring facility and the respective fixed charge. HSBC have realised the sum of £63,453 and have confirmed an outstanding balance due from the Company in the sum of £4,283 which will rank as a secured claim under their floating charge.

4.1.2 Paragon Business Finance Plc

Paragon Business Finance Plc ("Paragon") held security over a colour printing press under a hire purchase agreement. At the date of liquidation, the indebtedness was estimated at £100,627. Paragon confirmed the outstanding balance to be £100,627 plus VAT (being 120,752).

Paragon has confirmed the asset was sold for £102,500 plus VAT (being £123,000), resulting in their claim against the Company being satisfied in full.

4.1.3 Aldermore Bank Plc

Aldermore Bank Plc ("Aldermore") held security, known as a chattel mortgage, over various printing equipment acquired by the Company under a hire purchase agreement.

At the date of liquidation, the indebtedness was estimated at £46,070. Aldermore have since confirmed the total termination figure of £53,652 and have submitted a claim for £31,913 following taking possession and resale of the equipment. A full summary of their position (broken down by each item of equipment, redemption figures, net sale proceeds and outstanding balance) was provided in our last report.

The required settlement amount exceeded the net sale proceeds and associated costs of realisation and, therefore, the shortfall of £31,913 due to Aldermore ranks an unsecured claim in the liquidation estate.

4.2 Prescribed Part

IR86 and IR86 provide that, where a company has granted a floating charge either on or after 15 September 2003, there is a provision for a share of the Company's net property to be set aside for distribution to unsecured creditors in priority to the floating charge holder. These funds are referred to as the Prescribed Part.

As previously reported, the provisions of the Prescribed Part do not apply as the floating charge granted by the Company to HSBC (formerly Midland Bank Plc), pre-dates 15 September 2003.

4.3 Ordinary preferential creditors

We set out below a summary of the ordinary preferential claims received and agreed:

| Ordinary preferential creditor | SOA claims £ | Claims received £ |
|--------------------------------|-----------------|-------------------|
| Employee claims (16 claims) | 4,250.00 | 692.07 |
| Redundancy Payments Service | - | 3,330.68 |
| Total | 4,250.00 | 4,022.75 |

Within the reporting period, we provided notice of an intended dividend to all former employees with agreed claims. Preferential creditors had until 9 September 2022 to submit any additional or amended claims. None were forthcoming.

Shortly after the end of the reporting period, on 17 October 2022, we declared the preferential distribution of 100 pence in the pound to the employees and Redundancy Payment Service (who had a subrogated claim with regard to compensation previously paid to employees for arrears of wages and holiday pay). As the distribution was declared outside of this reporting period, it does not appear on our receipts and payments account at Appendix I, however, the sums distributed will be included within our next and final progress report.

4.4 Secondary preferential creditors

There are no secondary preferential creditor claims as this liquidation pre-dates 1 December 2020 in which the rules regarding this classification of creditor came into effect.

4.5 Unsecured creditors

We have received claims totalling £250,095 from 27 unsecured creditors. Total claims as per the directors' SOA were £282,082.

As previously reported, given the level of realisations and associated costs, there will not be sufficient funds to pay a dividend to the unsecured creditors.

5. Liquidators' remuneration

The creditors approved that the basis of the liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation. This was granted following the liquidators providing a fees' and

expenses' estimate for the first year of the liquidation and the requisite majority of creditors granting approval at a meeting held on 13 December 2018.

An updated fees and expenses estimate for the entire liquidation was provided to creditors at the time of our last report (totalling £98,620) and, on 14 January 2022, creditors approved (by way of a decision by written correspondence) that the basis of the liquidators' remuneration should remain on a time cost basis but subject to a cap of £55,000 plus VAT.

A summary of the liquidators' time costs incurred and paid to date is:

| Period | Total Hours hrs | Total costs £ | Average hourly rate £/hr | Fees drawn £ |
|------------------------------------|--------------------|-------------------|-----------------------------|------------------|
| 16 October 2018 to 15 October 2019 | 204.95 | 54,580.00 | 266.31 | 15,000.00 |
| 16 October 2019 to 15 October 2020 | 48.40 | 13,204.00 | 273.00 | Nil |
| 16 October 2020 to 15 October 2021 | 65.25 | 18,956.16 | 290.52 | Nil |
| 16 October 2021 to 15 October 2022 | 77.93 | 27,004.68 | 346.52 | 20,610.00 |
| Total | 396.53 | 113,744.84 | 1,176.35 | 35,610.00 |

During the reporting period, £20,610 has been drawn with regard to the liquidators' fees, bringing total fees drawn to date to £35,610 plus VAT (being within the fee cap approved by creditors).

Attached as Appendix II is a time analysis which provides details of the activity costs incurred by Evelyn Partners LLP staff grade during the period of this report by reference to time properly spent by the liquidators and their staff in attending to matters arising in the liquidation. Details of work carried out in the period are also included in the body of this report.

Also attached as Appendix III, is a cumulative time analysis for the entire liquidation, being from 16 October 2018 to 15 October 2022 which provides details of the liquidators' time costs since appointment together with a comparison to the most recent fees' and expenses' estimate. The liquidators' time costs to date are £113,745 compared to the fees' estimate of £98,620.

The liquidators are not able to draw any remuneration in excess of the approved cap of £55,000 plus VAT without prior consent of the creditors. Following the distribution to preferential creditors, it is anticipated the liquidators will be able to draw a further £6,228 plus VAT, bringing total remuneration to be received to circa £42,000 plus VAT. The balance of their remaining time costs will be written off.

The liquidators anticipate the future costs of closing the liquidation to be in the region of £3,000 plus VAT, which will allow all outstanding matters to be dealt with (as detailed in the outstanding matters section of this report). Please note that this estimate is based on present information and is subject to change.

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and providing information relating to the company and its former officers to the Insolvency Service as required by the Company Directors' Disqualification Act 1986.

A copy of 'A Creditor's Guide to Liquidator's Fees' can be downloaded free of charge from R3's website at the following address:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

Alternatively, a hard copy is available on request, free of charge.

On 1 September 2020, the Smith & Williamson Group merged with the Tilney Group to extend our financial and professional services offering. In common with many professional firms, our scale rates rise to cover annual inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates have risen on average by approximately 7% with effect from 1 July 2022. Following the merger please note that there has been a change to our financial year-end and, as a result, we will be reviewing our charge-out rates again on 1 January 2023 (reverting to annual reviews thereafter). The rate of any increase on 1 January 2023 will take into account that only six months will have passed from the date of the last increase and so will not cause any prejudice to creditors and stakeholders.

Details of Evelyn Partners LLP's charge out rates (including any changes during the period of this case) along with the policies in relation to the use of staff are provided at Appendix IV.

We have no business or personal relationships with the parties who approve our fees.

6. Liquidation expenses

The tables located at Appendix VI and VII provide details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate.

The table(s) exclude(s) distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

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

6.1 Subcontractors

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

6.2 Professional advisors

As you will be aware, our estimated expenses included the cost of instructing professional advisors and the table at Appendix VI discloses the costs incurred and paid, along with the original estimates. We have also indicated alongside each advisor the basis of our fee arrangement with them, which is subject to review on a regular basis.

Comparison to Initial Expenses Estimate

Creditors may recall that our initial expenses estimate totalled £9,743, of which the comparative estimated expense for professional advisors and agents was £8,866 with regard to the chattel agent, legal fees and storage costs.

Appendix VI confirms we have incurred £11,246 with respect to professional advisors and agents, being £2,380 higher than originally anticipated. This is due to:

- The need for additional legal advice regarding a dispute with the Company's landlord and the amount of rent payable as an expense of the liquidation; and
- The initial estimate did not include the costs of ERA Solutions who assisted with processing and adjudicating employees' preferential and unsecured claims.

The additional costs incurred were beneficial to the estate by way of reducing total overall costs of the liquidation had they not been incurred.

6.3 Liquidators' expenses

Our initial expense estimate included a provision for general expenses which would need to be incurred by the liquidators to meet their statutory obligations and achieve the purpose of the liquidation.

Appendix VII includes expenses paid and/or incurred during the current period and for the liquidation as a whole. The liquidators' general expenses incurred to date include statutory advertising, insurance, bank charges and the statutory insolvency bonds totalling £799 (of which £101 was incurred during the report period).

Comparison to Initial Expenses Estimate

Creditors may recall that our initial expense estimate with regard to the aforementioned categories was £878. Our total expenses incurred are approximately £81 lower than originally anticipated, mainly due to lower than anticipated statutory advertising costs as a result of not having to advertise notice of intended dividend to unsecured creditors.

6.4 Category 2 expenses

Approval to recover Category 2 expenses was provided on 13 December 2018 following receipt of voting resolutions by correspondence from the requisite majority of creditors.

No category 2 disbursements have been incurred and/or paid in the reporting period or since the commencement of the liquidation.

6.5 Other expenses

Other expenses (i.e., those not detailed in the preceding sections and appendices) paid during the period covered by this report are shown in the receipts and payments summary at Appendix I.

Those expenses which we consider to be significant in the context of this case, as previously reported, are as follows:

| Supplier/service provider | Nature of expense incurred | B/F Incurred in previous periods £ | Incurred in current period £ | Cumulative incurred £ | B/F Paid in previous periods £ | Paid in current period £ | Total costs outstanding at period end £ |
|---------------------------|----------------------------|---------------------------------------|---------------------------------|--------------------------|-----------------------------------|-----------------------------|--|
| I & N Starkey | Rent | £7,748.28 | Nil | £7,748.28 | £7,748.28 | Nil | - |

A payment of rent to the Company's landlord was required for the post-liquidation period to enable the Company's tangible assets to remain at the premises and, therefore, the sum of £7,748.28 has been paid for the period of occupancy, being 16 October 2018 to 18 January 2019. Incurring such a cost has provided a net benefit to creditors as it resulted in the safeguarding and sale of the chattel assets located at the premises.

This was not an anticipated expense at the outset of the liquidation and, therefore, was not included in the original estimate.

6.6 Policies regarding use of third parties and expense recovery

Appendix IV provides details of Evelyn Partners LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

7. Outstanding matters

Following the declaration and payment of the distribution to preferential creditors shortly following the report period, the remaining actions to be concluded at the time of this report are as follows:

- Settle all outstanding costs and expenses of the liquidation (including professional fees);
- Prepare and submit final corporation tax and VAT returns;

- Obtain the relevant tax clearances;
- Closure of the liquidation, including preparing and issuing our final report to creditors.

As referred to in section five of this report, the liquidators anticipate the future costs for these actions to be in the region of £3,000.

8. Privacy and Data Protection

As part of our role as liquidators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at www.evelyn.com/rsgdpr. If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact Ben Collie of our office if you believe this applies.

9. Creditors' rights

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 or otherwise with the court's permission) may request in writing that the liquidators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the liquidators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Nicholas Myers or Henry Anthony Shinnars in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London, EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

- Email: insolvency.enquiryline@insolvency.gov.uk
- Telephone number: +44 300 678 0015
- Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

10. Next report

We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation unless we have concluded matters prior to this, in which case we will write to all creditors with our final account, prior to vacating office.



Nicholas Myers and Henry Anthony Shinnors

Joint Liquidators

Date: 13 December 2022

Nicholas Myers and Henry Anthony Shinnors have been appointed as the joint liquidators of the Company on 16 October 2018.

They act as agents and without personal liability.

Both office-holders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: www.evelyn.com/insolvency-licensing-bodies

The joint liquidators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a processor on the instructions of the joint liquidators. Personal data will be kept secure and processed only for matters relating to the joint liquidators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at www.evelyn.com/rsgdpr

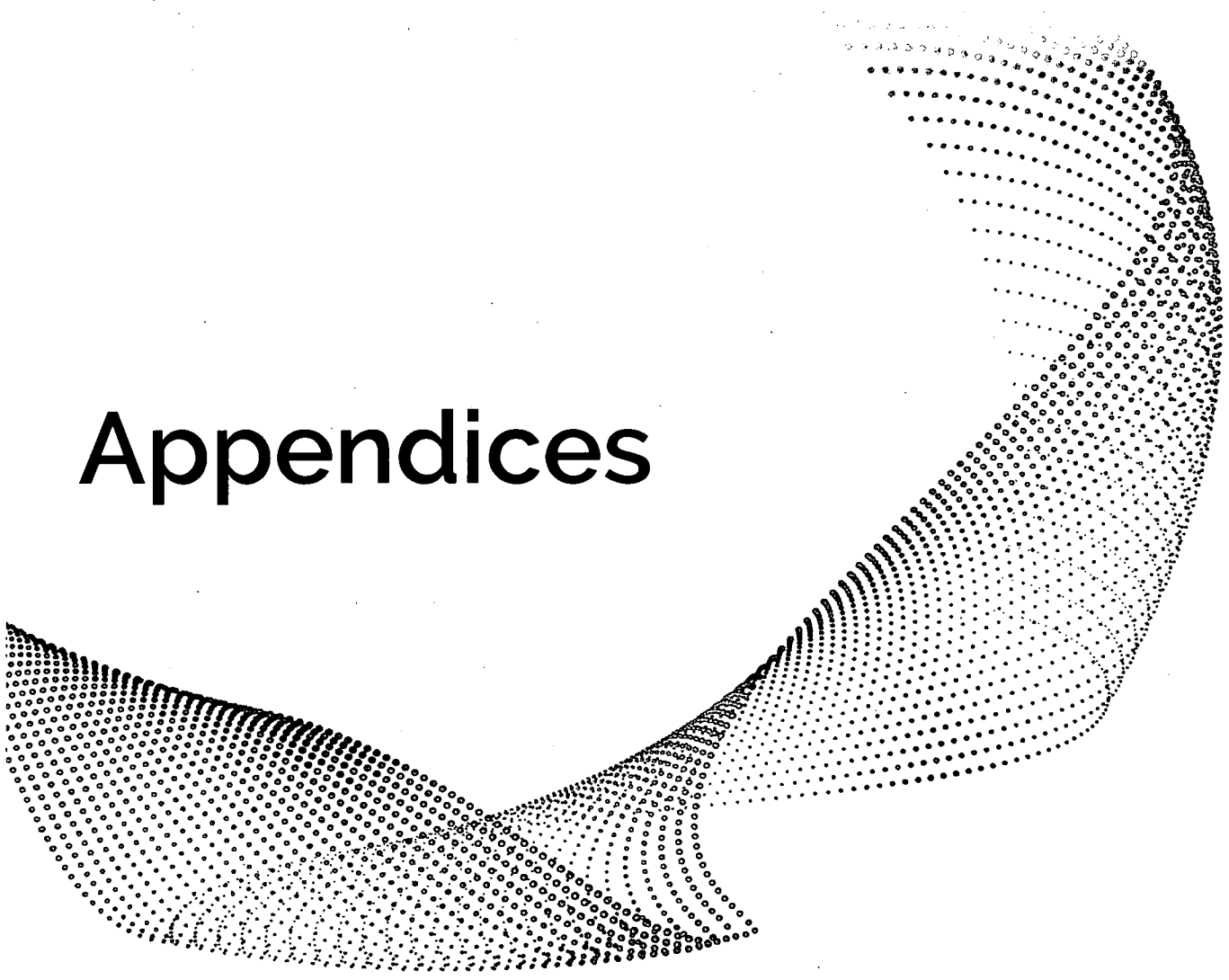
Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office

Evelyn Partners LLP is registered in England at 45 Gresham Street, London, EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

Appendices



I Receipts and payments account

Receipts and payments account to 15 October 2022

| Statement of Affairs | From 16/10/2021 To 15/10/2022 | From 16/10/2018 To 15/10/2022 |
|----------------------------------|--|-------------------------------|
| £ | £ | £ |
| SECURED ASSETS | | |
| 129,965.00 | Plant & Machinery | NIL |
| 93,736.00 | Book Debts | NIL |
| 3,600.00 | Cash at Bank | NIL |
| | | NIL |
| SECURED CREDITORS | | |
| (93,736.00) | HSBC Bank Plc | NIL |
| (100,627.00) | Paragon Business Finance PLC | NIL |
| (46,070.00) | Aldermore Bank Plc | NIL |
| | | NIL |
| ASSET REALISATIONS | | |
| 55,000.00 | Unencumbered Plant & Machinery | 59,300.00 |
| 20,719.00 | Book Debts | 9,896.80 |
| 7,500.00 | Insurance Claim | 9,320.00 |
| | Prepayments | 1,083.95 |
| | Sundry refunds | 726.71 |
| | Bank Interest Gross | 247.18 |
| | Cash at Bank | 62.50 |
| 1,000.00 | Office Equipment | NIL |
| | | 1,258.72 |
| | | 80,637.14 |
| COST OF REALISATIONS | | |
| | Liquidator's Fees | 20,610.00 |
| | Rents Payable | 7,748.29 |
| | S&W Pre-appointment Fee | 7,500.00 |
| | Ransom Payment | 6,400.00 |
| | Agents/Valuers Fees | 6,380.00 |
| | Legal Fees | 2,750.00 |
| | Storage Costs | 2,035.74 |
| | Lease Payments | 553.60 |
| | Insurance of Assets | 392.00 |
| | Liquidator's Expenses | 383.84 |
| | Agents/Valuers Expenses | 285.53 |
| | Statutory Advertising | 263.20 |
| | Bank Charges | 1.80 |
| | | (22,592.54) |
| | | (70,304.00) |
| PREFERENTIAL CREDITORS | | |
| (4,245.00) | Employees Holiday Pay | NIL |
| | | NIL |
| FLOATING CHARGE CREDITORS | | |
| (25,124.00) | HSBC Bank Plc | NIL |
| | | NIL |
| UNSECURED CREDITORS | | |
| (144,193.00) | Directors & Employees | NIL |
| (171,385.00) | Trade & Expense Creditors (incl. HMRC) | NIL |
| | | NIL |
| (273,860.00) | | (21,333.82) |
| REPRESENTED BY | | |
| | Clients Deposit NIB: 15.10.21 | 5,072.66 |
| | VAT Receivable | 5,260.48 |
| | | 10,333.14 |

Notes and further information required by SIP 7

- The liquidators' remuneration has been approved on a time cost basis but subject to a cap of £55,000 plus VAT and disbursements and, to date, £35,610 has been drawn on account (with £20,610 being drawn within this reporting period).
- No payments have been made to our firm outside of the estate.
- Details of significant expenses paid are provided in the body of this report and its appendices.
- There have been no subcontractors utilised in the liquidation.
- Information concerning the liquidators' remuneration and expenses incurred is provided in the body of our report and its appendices.
- Information concerning the ability to challenge the liquidators' remuneration and expenses of the liquidation is provided in our report.
- The liquidation bank account was initially interest bearing and became non-interest bearing on 15 October 2020 in order to finalise the Company's corporation tax affairs.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. The Company was VAT registered and, accordingly, it is anticipated VAT payable on any expenses will be recovered.

II Time analysis for the period

From 16 October 2021 to 15 October 2022

| Period | Partner | Director & Associate Director | Manager & Assistant Manager | Other Professionals | Support | Total | Cost | Average rate |
|--------------------------------------|-------------|-------------------------------|-----------------------------|---------------------|-------------|--------------|------------------|---------------|
| | Hours | Hours | Hours | Hours | Hours | Hours | £ | £/hr |
| Administration & planning | | | | | | | | |
| Statutory & Regulatory | 0.85 | - | 38.70 | 3.25 | - | 42.80 | 15,485.00 | 361.80 |
| Closure process | - | 0.25 | - | - | - | 0.25 | 112.50 | 450.00 |
| Case administration | 1.60 | 0.18 | 11.88 | 3.37 | 0.25 | 17.28 | 6,232.68 | 360.69 |
| Sub-total Administration & planning | 2.45 | 0.43 | 50.58 | 6.62 | 0.25 | 60.33 | 21,830.18 | 361.85 |
| Investigations | | | | | | | | |
| Records and investigations | - | - | 0.55 | - | - | 0.55 | 243.00 | 441.82 |
| Sub-total Investigations | - | - | 0.55 | - | - | 0.55 | 243.00 | 441.82 |
| Realisation of assets | | | | | | | | |
| Other assets | - | - | 2.20 | - | - | 2.20 | 660.00 | 300.00 |
| Sub-total Realisation of assets | - | - | 2.20 | - | - | 2.20 | 660.00 | 300.00 |
| Creditors | | | | | | | | |
| Employees, Pensions & RPS | - | - | 6.80 | 2.50 | 3.60 | 12.90 | 4,023.00 | 311.86 |
| Unsecured creditors (exc. Staff) | - | - | 0.10 | - | 1.85 | 1.95 | 248.50 | 127.44 |
| Sub-total Creditors | - | - | 6.90 | 2.50 | 5.45 | 14.85 | 4,271.50 | 287.64 |
| Totals | 2.45 | 0.43 | 60.23 | 9.12 | 5.70 | 77.93 | 27,004.68 | 346.52 |

Explanation of major work activities undertaken

The below narrative summarises work undertaken during the report period by reference to work function.

Administration and planning

This section of the analysis encompasses the cost of the liquidators and their staff in complying with their statutory obligations and internal compliance requirements. The work undertaken included:

- Dealing with routine correspondence;
- General case planning and administration;
- Undertaking statutory case reviews;
- Maintaining physical case files and electronics case details on IPS (case management software);
- Maintaining and managing the administrators' cash book and bank accounts;
- Internal meetings in respect of case strategy;
- Reconciliation of the estate bank account;

- Remittances of receipts;
- Defraying the costs of the liquidation (to include payment of storage and our own professional fees);
- Drafting the third annual progress report (for period ended 15 October 2021) and issuing to creditors on the Portal;
- Finalising the restatement of our first and second progress reports in order to rectify the period covered by the reports and ensuring both reports are filed at Companies House (time costs incurred in undertaking this work will not be recovered);
- Reviewing records and enquiries made on the AML and conflict check position;
- Completing AML checklists to comply with the firm's latest policies;
- VAT and corporation tax returns; and
- Preparing the case for closure, to include completing pre-closing case checklists.

Investigations

This section relates to our statutory obligations to investigate the actions of the directors of the Company and to review the Company's records with a view to determining whether the Company may have any claims against third parties. The work undertaken during this period, included:

- Confirming extent of Company records in storage;
- Instructing storage agents to diarise destruction of records three months from dissolution.

Realisation of assets

This section is in respect of work undertaken to realise the Company's assets and maximise recoveries to the estate. The work undertaken during the period included:

- A final review of the Company's unfactored book debts and updating schedules;
- Remittance re final book debt collection; and
- Filenote confirming no further realisations to be made and the balance to be written off as bad debts.

Creditors

This section is in relation to the Company's creditors. The work undertaken included:

- Communications concerning the Company's pension scheme and potential liabilities due to employees;
- Reviewing ERA Solutions' employee claim adjudication;
- Issuing a notice of intended dividend to all preferential creditors;
- Liaising with employees for up-to-date addresses and bank details to receive distribution;
- Calculating and preparing to pay the preferential distribution following expiry of notice period,
- Update to the Company's secured creditors and responding to queries on how to vote on resolutions for the unsecured part of their claim;
- Communicating with unsecured creditors regarding dividend prospects.

III Cumulative time analysis

From 16 October 2018 to 15 October 2022

| Cumulative | Partner | Director & Associate Director | Manager | Other Professionals | Support | Total | Cost | Average rate |
|--|--------------|-------------------------------|---------------|---------------------|-------------|---------------|-------------------|---------------|
| | Hours | Hours | Hours | Hours | Hours | Hours | £ | £/hr |
| Administration & planning | | | | | | | | |
| Statutory & Regulatory | 2.40 | - | 43.20 | 36.80 | - | 82.40 | 26,422.50 | 320.66 |
| Closure | - | - | 0.25 | - | - | 0.25 | 112.50 | 450.00 |
| Case administration | 9.38 | 0.38 | 46.63 | 47.39 | 0.25 | 104.03 | 31,015.34 | 298.14 |
| Post appointment AML | - | - | 1.90 | - | - | 1.90 | 570.00 | 300.00 |
| Administration & planning - other (legacy) | 1.30 | - | 9.65 | 51.05 | - | 62.00 | 15,340.50 | 247.43 |
| Sub-total Administration & planning | 13.08 | 0.38 | 101.63 | 135.24 | 0.25 | 250.58 | 73,460.84 | 293.16 |
| Investigations | | | | | | | | |
| Directors | 0.50 | - | - | 6.80 | - | 7.30 | 1,789.00 | 245.07 |
| Records and investigations | 0.85 | - | 15.05 | 0.20 | - | 16.10 | 4,933.00 | 306.40 |
| Sub-total Investigations | 1.35 | - | 15.05 | 7.00 | - | 23.40 | 6,722.00 | 287.26 |
| Realisation of assets | | | | | | | | |
| Freehold property assets | 0.25 | - | 2.00 | 0.00 | - | 2.25 | 692.50 | 307.78 |
| Other assets | 1.05 | - | 25.45 | 13.35 | - | 39.85 | 11,022.25 | 276.59 |
| Tax assets | - | - | 2.20 | 0.00 | - | 2.20 | 660.00 | 300.00 |
| Leasing and HP assets | - | - | 2.50 | 2.00 | - | 4.50 | 1,198.00 | 266.22 |
| Invoice discounting/factors | - | - | 2.10 | 2.20 | - | 4.30 | 1,115.00 | 259.30 |
| Realisation of assets, other (legacy) | 0.15 | - | 21.00 | 13.45 | - | 34.60 | 9,251.00 | 267.37 |
| Sub-total Realisation of assets | 1.45 | - | 55.25 | 31.00 | - | 87.70 | 23,938.75 | 272.96 |
| Trading | | | | | | | | |
| Trading suppliers and expenses | 0.40 | - | - | - | - | 0.40 | 180.00 | 450.00 |
| Trading, other (legacy) | 0.10 | - | - | - | - | 0.10 | 45.00 | 450.00 |
| Sub-total Trading | 0.50 | - | - | - | - | 0.50 | 225.00 | 450.00 |
| Creditors | | | | | | | | |
| Employees, Pensions & RPS | - | - | 7.45 | 10.15 | 3.60 | 21.20 | 6,196.00 | 292.26 |
| Unsecured creditors (exc. Staff) | 1.40 | - | 0.35 | 8.65 | 1.85 | 12.25 | 3,041.25 | 248.27 |
| Creditors, other (legacy) | - | - | - | 0.70 | - | 0.70 | 161.00 | 230.00 |
| Sub-total Creditors | 1.40 | - | 7.80 | 19.50 | 5.45 | 34.15 | 9,398.25 | 275.20 |
| Totals | 17.78 | 0.38 | 179.73 | 192.74 | 5.70 | 396.33 | 113,744.84 | 287.00 |

Notes

As previously reported, that Smith & Williamson LLP had an IT system upgrade which changed the reporting titles from 1 August 2020. For the ease of creditors, the above table and table in Appendix II has been produced using the current reporting titles to allow for ease of comparison. The overall heading and fees are the same as those detailed in the fee estimates and do not affect the financial position or estimates set-out when obtaining fee approval.

Comparison to Fee Estimate

Our last progress report included an updated fees estimate for the duration of the liquidation, which estimated the liquidators' total time costs to be £98,620.

Our time costs are higher than anticipated and a comparison is shown below, broken down by work function:

| Category | Estimate (£) | Actual (£) | Difference (£) |
|---------------------------|------------------|-------------------|------------------|
| Administration & Planning | 60,690.66 | 73,340.84 | 12,650.18 |
| Investigations | 6,479.00 | 6,722.00 | 243.00 |
| Realisation of Assets | 24,538.75 | 23,938.75 | (600.00) |
| Trading | 225.00 | 225.00 | - |
| Creditors | 6,686.75 | 9,398.25 | 2,711.50 |
| Total | 98,620.16 | 113,624.84 | 15,004.68 |

The most recent fee estimate has been exceeded for a number of reasons, including:

- Longer than anticipated time spent restating historic progress reports and arranging for them to be accepted at Companies House (time costs will not be recovered in respect of this work);
- Having to chase HMRC on numerous occasions for VAT receivable dating back to October 2020 (and has still not been received); and
- Additional time spent processing and paying the preferential distribution, which included an element of tracing employees and obtaining new bank details.

IV Staffing, charging, subcontractor and advisor policies and charge out rates

Introduction

Detailed below are:

- Evelyn Partner LLP's policy in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Expense recovery
- Evelyn Partners LLP's current charge out rates

Staff allocation and the use of subcontractors

Our 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 and a partner or director or associate director or consultant as joint office-holders, 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. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, considering their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers, support and secretarial staff which are centralised in London) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, e.g., geographical location, of individual cases.

This case is predominantly being conducted from the London office.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in appendix V.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work;
- The complexity and nature of the assignment;
- The availability of resources to meet the critical deadlines in the case;
- The charge out rates or fee structures that would be applicable to the assignment;

- The extent to which we believe that the advisers in question can add best value and service to the assignment;
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise 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 Evelyn Partners LLP personnel in connection with the case.

Category 2 expenses 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, document storage or business mileage.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Since 7 July 2012, Evelyn Partners LLP's policy is to recover only two types of Category 2 expense, namely Evelyn Partners Financial Services Limited's fees, as referred to above, and business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the period covered by this report are set out in the body of this report.

Charge out rates

A schedule of Evelyn Partners LLP's charge out rates was issued to creditors at the time the basis of the liquidators' remuneration was approved.

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2022.

| Evelyn Partners LLP | London office | Regional Offices |
|------------------------------------|---------------|------------------|
| Restructuring & Recovery Services | | |
| Charge out rates as at 1 July 2018 | £/hr | £/hr |
| Partner / Director | 450-520 | 360-380 |
| Associate Director | 420 | 290-320 |
| Managers | 250-365 | 225-310 |
| Other professional staff | 170-320 | 140-185 |
| Support & secretarial staff | 90 | 60-140 |

| Evelyn Partners LLP | London office | Regional Offices |
|------------------------------------|---------------|------------------|
| Restructuring & Recovery Services | | |
| Charge out rates as at 1 July 2019 | £/hr | £/hr |
| Partner / Director | 470-540 | 376-432 |
| Associate Director | 440 | 352 |
| Managers | 270-380 | 216-304 |
| Other professional staff | 180-380 | 144-192 |
| Support & secretarial staff | 100 | 80 |

| Evelyn Partners LLP | London office | Regional Offices |
|------------------------------------|---------------|------------------|
| Restructuring & Recovery Services | | |
| Charge out rates as at 1 July 2020 | £/hr | £/hr |
| Partner / Director | 495-570 | 396-456 |
| Associate Director | 380-465 | 372 |
| Managers | 285-400 | 228-320 |
| Other professional staff | 125-465 | 152-204 |
| Support & secretarial staff | 105 | 84 |

| Evelyn Partners LLP | London office | Regional Offices |
|------------------------------------|---------------|------------------|
| Restructuring & Recovery Services | | |
| Charge out rates as at 1 July 2021 | £/hr | £/hr |
| Partner | 590-610 | 480 |
| Director / Associate Director | 395-530 | 395-415 |
| Managers | 290-430 | 240-335 |
| Other professional staff | 130-280 | 160-215 |
| Support & secretarial staff | 100-120 | 90 |

| Evelyn Partners LLP | London office | Regional Offices |
|------------------------------------|---------------|------------------|
| Restructuring & Recovery Services | | |
| Charge out rates as at 1 July 2022 | £/hr | £/hr |
| Partner | 650-670 | 528 |
| Director / Associate Director | 420-570 | 410-455 |
| Managers | 280-460 | 230-370 |
| Other professional staff | 205-300 | 165-240 |
| Support & secretarial staff | 100-120 | 88 |

Notes

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
4. The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.

VI Professional advisers and agents

| Name of professional advisor | Basis of fee arrangement | Initial estimate £ | B/f from previous period £ | Costs incurred in current period £ | Cumulative total £ | Estimate for future £ | Anticipated total £ | Variance – initial to anticipated £ | Costs paid in current period £ | Total costs outstanding at period end £ |
|---|--------------------------|-----------------------|-------------------------------|---------------------------------------|-----------------------|--------------------------|------------------------|--|-----------------------------------|--|
| SIA Group (UK) London Limited | Hourly rate & expenses | 5,865.53 | 5,580.00 | NIL | 5,580.00 | NIL | 5,580.00 | (285.53) | NIL | NIL |
| ERA Solutions Limited (Employment Rights specialists) | Fixed fee | NIL | 800.00 | 80.00 | 880.00 | NIL | 880.00 | 880.00 | NIL | 80.00 |
| Irwin Mitchell (solicitors) | Hourly rate & expenses | 1,000.00 | 2,750.00 | NIL | 2,750.00 | NIL | 2,750.00 | 1,750.00 | NIL | NIL |
| JG Collections (Storage agent) | Fixed price per box held | 2,000.00 | 781.98 | 1,497.60 | 2,279.58 | NIL | 2,279.58 | 279.58 | 1,497.60 | NIL |
| Total | | 6,865.53 | 9,668.14 | 1,577.60 | 11,245.74 | NIL | 11,245.74 | 4,380.21 | 1,497.60 | 80.00 |

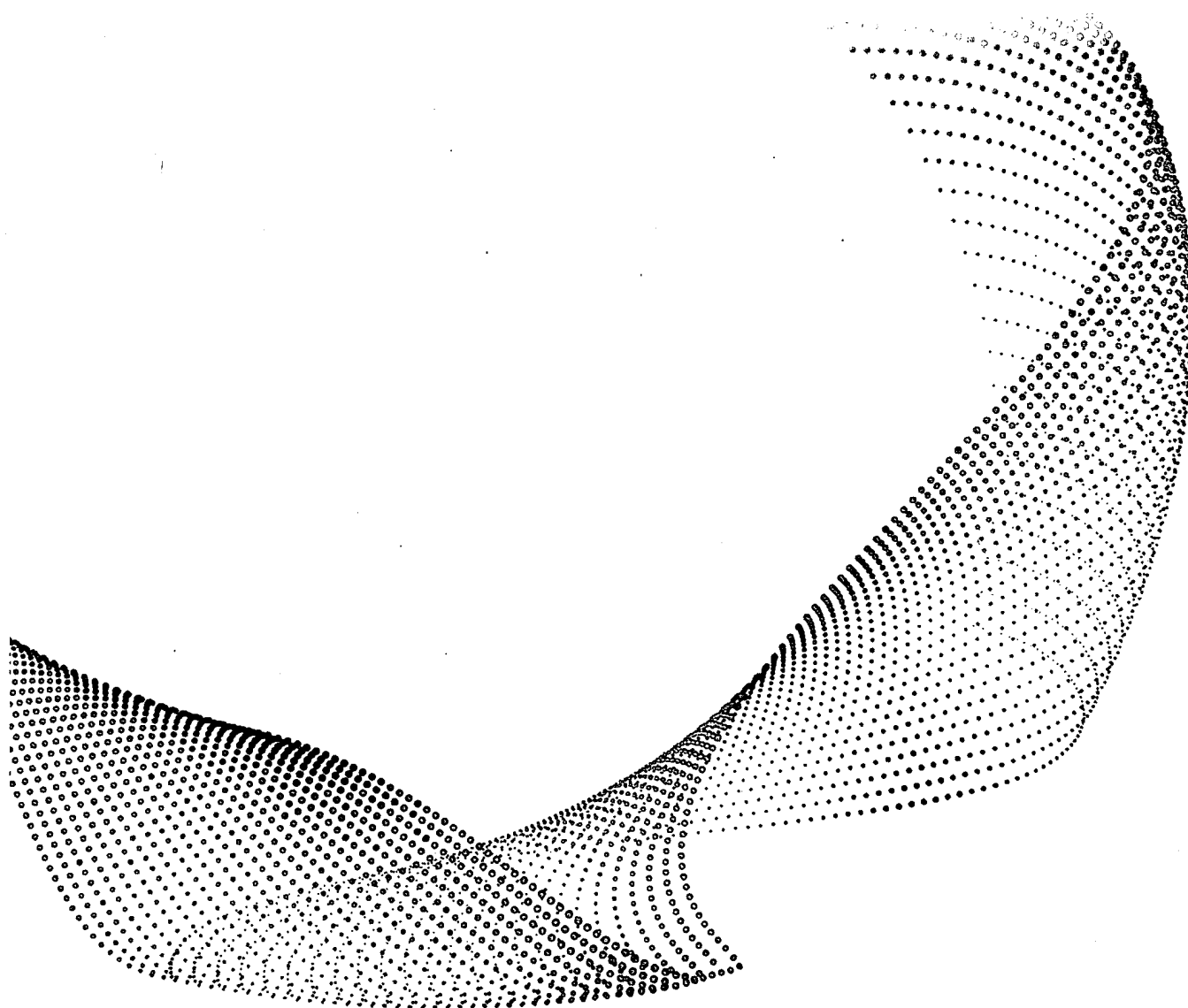
Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

VII Liquidators' expenses

| Description | Initial estimate £ | B/f from previous period £ | Costs incurred in current period £ | Cumulative total £ | Estimate for future £ | Anticipated future total £ | Variance – initial to anticipated £ | Costs paid in current period £ | Total costs outstanding at period end £ |
|-----------------------|--------------------|----------------------------|------------------------------------|--------------------|-----------------------|----------------------------|-------------------------------------|--------------------------------|---|
| Statutory Advertising | 325.80 | 162.90 | 100.30 | 263.20 | NIL | 263.20 | (62.60) | 100.30 | NIL |
| Liquidators' bonds | 140.00 | 140.00 | NIL | 140.00 | NIL | 140.00 | NIL | NIL | NIL |
| Insurance | 392.00 | 392.00 | NIL | 392.00 | NIL | 392.00 | NIL | NIL | NIL |
| Bank Charges | 20.00 | 1.00 | 0.80 | 1.80 | 1.90 | 3.70 | (16.30) | 0.80 | NIL |
| TOTAL | 877.80 | 695.90 | 101.10 | 797.00 | 1.90 | 798.90 | (78.90) | 101.10 | NIL |

Note 1: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

Note 2: Storage costs are now disclosed within appendix VI, professional advisors and agents, following our last report.



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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

Evelyn Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC369631.

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