

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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31/01/2020

#356

COMPANIES HOUSE

| | | |
|----------------------|--|--|
| 1 | Company details | |
| Company number | 0 1 1 6 8 2 3 7 | → Filling in this form Please complete in typescript or in bold black capitals. |
| Company name in full | Charles Owen and Company (Bow) Limited | |
| 2 | Liquidator's name | |
| Full forename(s) | Vincent A | |
| Surname | Simmons | |
| 3 | Liquidator's address | |
| Building name/number | 7 St. Petersgate | |
| Street | Stockport | |
| Post town | Cheshire | |
| County/Region | | |
| Postcode | S K 1 1 E B | |
| Country | | |
| 4 | Liquidator's name ① | |
| Full forename(s) | | ① Other liquidator Use this section to tell us about another liquidator. |
| Surname | | |
| 5 | Liquidator's address ② | |
| Building name/number | | ② Other liquidator Use this section to tell us about another liquidator. |
| Street | | |
| Post town | | |
| County/Region | | |
| Postcode | | |
| Country | | |

LIQ03

Notice of progress report in voluntary winding up

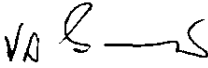
6 Period of progress report

| | | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
| From date | ^d 1 | ^d 3 | ^m 0 | ^m 1 | ^y 2 | ^y 0 | ^y 1 | ^y 9 | |
| To date | ^d 1 | ^d 2 | ^m 0 | ^m 1 | ^y 2 | ^y 0 | ^y 2 | ^y 0 | |

7 Progress report

☒ The progress report is attached

8 Sign and date

| | | | |
|------------------------|----------------|--|----------------|
| Liquidator's signature | Signature | | |
| | X | VA  | X |
| Signature date | ^d 2 | ^d 9 | ^m 0 |
| | | ^m 1 | ^y 2 |
| | | | ^y 0 |
| | | ^y 2 | ^y 0 |

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 | Jane Cooper |
| Company name | BV Corporate Recovery & Insolvency Services Limited |
| Address | 7 St. Petersgate Stockport |
| Post town | Cheshire |
| County/Region | |
| Postcode | S K 1 1 E B |
| Country | |
| DX | |
| Telephone | 0161 476-9000 |

**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

Charles Owen and Company (Bow) Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

| Statement of Affairs £ | | From 13/01/2019 To 12/01/2020 £ | From 13/01/2017 To 12/01/2020 £ |
|------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | ASSET REALISATIONS | | |
| 1,922,401.00 | Associated company loans | NIL | NIL |
| | Bank Interest Gross | 522.67 | 6,857.54 |
| 346,606.00 | Book Debts & prepayments | NIL | NIL |
| 1,777,834.00 | Cash at Bank/debtors | 16,345.96 | 3,175,327.77 |
| Uncertain | Fixed Assets | NIL | NIL |
| Uncertain | Foreign currency contracts | NIL | 96,402.38 |
| | Funds relating to Airowear | NIL | NIL |
| Uncertain | Investments | NIL | NIL |
| | Licence Fee | NIL | 166,000.00 |
| | Other Assets | NIL | 50,637.80 |
| | Stock | NIL | NIL |
| 1,964,291.00 | Stock/WIP | NIL | 542,081.08 |
| | | 16,868.63 | 4,037,306.57 |
| | COST OF REALISATIONS | | |
| | Accountancy assistance | 15,505.00 | 15,505.00 |
| | Agents/Valuers Fees | NIL | 18,694.40 |
| | B V Tax Assistance | 1,072.50 | 1,072.50 |
| | Corporation Tax | NIL | 15,602.48 |
| | Legal Fees (1) | 11,101.00 | 85,275.00 |
| | Office Holders Fees | 17,000.00 | 47,000.00 |
| | Preparation of S. of A. | NIL | 4,500.00 |
| | Specific Bond | NIL | 2,480.00 |
| | Statutory Advertising | NIL | 423.00 |
| | Tax advice | 5,800.00 | 12,000.00 |
| | | (50,478.50) | (202,552.38) |
| | FLOATING CHARGE CREDITORS | | |
| (2,786,113.00) | Floating Charge Creditor | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (64,015.00) | Accruals | NIL | NIL |
| | Airowear payments | NIL | 1,074,475.19 |
| (1,511,449.00) | Directors Loan Account | NIL | NIL |
| (2,405.00) | HMRC | NIL | NIL |
| (638,404.00) | HMRC - APN | NIL | NIL |
| (379,940.00) | Loan - FURBS | NIL | NIL |
| (806,682.00) | Provision of redundancy pay & notice | NIL | NIL |
| (35,957.00) | Trade & Expense Creditors | NIL | 2,262,510.29 |
| (33,354.00) | Unpaid Grant | NIL | NIL |
| | | NIL | (3,336,985.48) |
| | DISTRIBUTIONS | | |
| (1,000.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (248,187.00) | | (33,609.87) | 497,768.71 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 496,002.51 |
| | Vat Receivable | | 1,766.20 |
| | | | 497,768.71 |

**Charles Owen and Company (Bow) Limited (“the
Company”)**

**Liquidator’s Progress Report for the period from
13 January 2019 to 12 January 2020**

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1. Statutory information
2. The Liquidator
3. Progress During the Period and Receipts and Payments account
4. Assets which remain to be realised
5. Investigations
6. *Remuneration and expenses including statement of affairs fee*
7. Estimated outcome for creditors / Distributions
8. Other relevant information
9. Creditors' Rights
10. Conclusion

APPENDICES

- | | |
|------------|--|
| Appendix A | Receipts and Payments Account for the Period from 13 January 2019 to 12 January 2020 |
| Appendix B | Time costs analysis for the period as above plus cumulative time costs analysis for the whole period |
| Appendix C | Fee estimate as at 1 March 2017 |
| Appendix D | Revised fee estimate |

1. STATUTORY INFORMATION

Name of Company: Charles Owen and Company (Bow) Limited ("the Company")

Trading name(s): n/a

Date of Incorporation: 26 April 1974

Company registered number: 01168237

Company registered office: Royal Works, Croesfoel Industrial Estate, Rhostyllen, Wrexham, LL14 4BJ

Company's Directors and Secretary:

| | Date appointed | Date resigned | Shares held |
|------------------------|---------------------|----------------|-------------|
| Director(s) | | | |
| Roy O Burek (Deceased) | Prior to 31.12.1991 | N/A | 451 |
| Secretary | | | |
| M J Clarkson/Z F Burek | Prior to 31.12.1991 | N/A/20.12.1993 | NIL |

2. THE LIQUIDATOR

Names of Liquidator: Vincent A Simmons, (7081), Licensed Insolvency Practitioner of BV Corporate Recovery & Insolvency Services Limited, 7 St Petersgate, Stockport, SK1-1EB

Date of appointment: 13 January 2017

Liquidator's contact details: Vincent A Simmons
7 St. Petersgate
Stockport
SK1 1EB

3. PROGRESS DURING THE PERIOD AND RECEIPTS AND PAYMENTS

Attached at Appendix A is a copy of my Receipts and Payments account for the Period. The progress and movement on the account is explained as follows:

Asset Realisations

Since my last report I can advise that the following assets have been realised:-

- The sum of £16,345.96 was received on 14 March 2019 and was in respect of foreign currency accounts held by the company
- The sum of £522.67 was received in respect of gross bank interest

Costs of Realisations

Since my last report, the following payments have been made:-

- Two separate payments of £10,000 and £7,000 were made on account in respect of this firms fees.
- Accountancy assistance fees of £15,505 were made
- Tax assistance fees of £1,072.50 were made to a connected firm, Bennett Verby Limited
- Further legal fees totalled £11,101 in this period
- Tax advice in respect of HMRC's claim resulted in a payment of £5,800

Connected Party Transactions

There have been no transactions during this period that are considered as being a connected party transaction (other than stock sold under Licence) and the tax assistance fee as mentioned above.

Ongoing Progress

4. ASSETS WHICH REMAIN TO BE REALISED

The Receipts and Payments Account at Appendix 1 not only provides the realisations to date but also provides the Statement of Affairs figure as provided by the Company's Director. It will be seen from the anticipated assets (shown in the far left-hand column) that the following assets remain to be realised.

Fixed assets and investments had no realisable value as at the date of my appointment. Indeed, fixed assets represented, largely, installation costs of electrical outlets and internal plumbing. Certain items were landlord's fixtures.

Investments (being in the company's balance sheet at £70,000), had been disposed of immediately prior to my appointment to a connected company for £1 as the investment would have been forfeit upon the Liquidator's appointment.

I am still to realise a large proportion of the company's residual stock in trade which is being accounted for by the associated company under Licence; however, I have been advised that the associated company is unable to pay any sum due as it is insolvent. Further enquiries will be made in this respect.

The same applies in relation to the inter-company debt due from the connected company in the USA which owes some £1.8 million. The costs of realising this debt would be extremely protracted and financially prohibitive as it would have to be through the use of a US insolvency process and its' principal asset is subject to prior Intellectual Property Rights in favour of a connected third party in any case.

5. INVESTIGATIONS

A Liquidator is required to carry out work which complies with the requirements of the Company Directors Disqualification Act 1986. Whilst this work may not necessarily bring about any financial benefit to the creditors (unless potential recoveries are identified) I must carry it out.

In accordance with Statement of Insolvency Practice 2 - Investigations by Officeholders in Administration and Insolvent Liquidations I have conducted an initial review of the Company's records and completed the online questionnaire regarding the conduct of the Directors to the Department for Business, Energy and Industrial Strategy (DBEIS), as provided by them. The submission and the outcome thereof is confidential and cannot be disclosed to you in this report.

My detailed investigations did not reveal any potential recoveries for the benefit of the creditors in the circumstances.

6. REMUNERATION AND EXPENSES

Statement of Affairs Costs

The Insolvency Service have confirmed that Statement of Affairs fees constitute Liquidator's remuneration. Accordingly, I am permitted to recover these costs, with the approval of the Company's creditors. As a result, my firm has been paid its' fixed fee of £4,500 plus VAT.

Liquidator's Remuneration and Expenses

Remuneration

The basis of my remuneration was fixed on a time costs, fee estimate on 1 March 2017.

Time Costs

Prior to the meeting of creditors held on 1 March 2017, I provided my fee estimate which acted as a cap on my time costs, without the further approval of the Company's creditors. A copy of my original fee estimate can be found at Appendix C of this report.

You will note that the estimate provided for time costs of £47,130 which equated to 236 of hours at an average charge out rate of £200 per hour.

My cumulative time costs are already £56,284 (although £47,000 plus VAT has been drawn against this sum) and as such I consider that I need to seek the approval of creditors to increase my fees. The increase has arisen as a result of the additional time dealing with the following matters:-

- Following my appointment in January 2017, I negotiated a sale of the principal business assets and Goodwill; however, the sale did not proceed.
- In early 2017, the Director sought to clarify the tax position of the company and subsequently, as Liquidator (and with the assistance of advisors), I obtained agreement from the secured creditor to release its' security over the company's assets and also obtained the Director's agreement to postpone his claim for dividend purposes in respect of his Directors loan account of some £1.5 million.
- This had the effect of moving the company into a possible solvent position and certainly resulted in a vastly enhanced return to creditors.
- Indeed, it was proposed that an application be made to the Court to move the company into Administration with a view to exiting and continuing to trade. Much time was expended in assessing the draft Application and inherent Witness Statements,
- On 1 May 2019, the Director sadly passed away and, after discussions with the Family, it was decided that the Administration Application would not proceed. Furthermore, it became apparent that the associated companies were insolvent. Further enquiries are being made in this respect. However, H M Revenue and Customs had indicated that, given they will be repaid in full on the principal indebtedness (but not penalties), they are willing to settle matters and therefore it would not be cost effective for the Liquidator to pursue the associated companies in any event.
- The above will result in full payment of HM Revenue and Customs principal debt and an element of penalties. Creditors overall will receive some 71 pence in the pound. It is not anticipated that any further funds will be forthcoming.

A copy of my revised fee estimate can be found at Appendix D of this report. I am seeking to increase my fees and will write to creditors under separate cover, to also include a Notice of Intended Dividend.

I am proposing to seek approval by way of correspondence, formal notice of which is provided at Appendix D of this report. If creditors are not satisfied with the decision procedure proposed then they may request a physical meeting as set out in the notice.

Creditors' Rights

A copy of 'A Creditors' Guide To Liquidator's Fees' is available on request or can be downloaded from <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>.

Liquidator's Expenses

Set out below is information on the anticipated expenses together with the actual expenses incurred to date:

| Type Of Expense | Provider | Original Estimate (£) | Incurred To Date (£) | Paid To Date (£) | Amount Outstanding (£) |
|-----------------------|---------------------|-----------------------|----------------------|------------------|------------------------|
| BOND | AUA | £3,040 | 2,480 | 2,480 | NIL |
| STATUTORY ADVERTISING | COURTS ADVERTISING | £423 | 423 | 423 | NIL |
| LEGAL FEES | JMW, SOLICITORS | £22,500 | 85,275 | 85,275 | NIL |
| AGENTS' FEES | EDDISONS COMMERCIAL | £25,000 | 18,694 | 18,694 | NIL |

The legal fees have increased due to significant work involved in relation to taxation matters in which specialist tax Counsel has been instructed.

7. ESTIMATED OUTCOME FOR CREDITORS / DISTRIBUTIONS

Secured Creditor

The Company granted a fixed and floating charge to Herald Trustees Limited ("the secured creditor") on 19 November 2007 which was subsequently registered at Companies House on 30 November 2007.

At the date of Liquidation, the indebtedness to the secured creditor was estimated to be some £2.8 million and has since been released.

Preferential Creditors

As detailed in the Statement of Affairs, there are no known preferential claims.

Prescribed part for the unsecured creditors s176A Insolvency Act 1986

What the provisions state

Section 176A of the 1986 Insolvency Act provides that where the Company has created a floating charge on or after 15 September 2003 the Liquidator must calculate and make a 'prescribed part' of the Company's net property available for the unsecured creditors ahead of any distribution to the floating charge holder. .

Net property means the amount available to floating charge holders out of the floating charge assets after accounting for the preferential debts of the Company and the costs of realising the floating charge assets.

The prescribed part of the Company's net property is calculated by reference to a sliding scale:

- 50% of the first £10,000 of net property;
- 20% of net property thereafter;

- Up to a maximum amount to be made available of £600,000

A Liquidator is not required to set aside the prescribed part of net property if:

- the net property is less than £10,000 and the Liquidator is of the opinion that the cost of distributing the prescribed part would be disproportionate to the benefit; or
- the Liquidator makes an application to the court for an Order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the Court so orders that the provision shall not apply.

How the Provisions Apply to This Company

As a result of the secured creditor recently releasing the company from both its' security and from liability, the provisions of s176A do not apply.

Unsecured Creditors

The Liquidation commenced with creditor claims totalling £3,472,206 and further contingent claims of some £3.3 million.

At the date of this report I have received claims totalling 5,354,462 from creditors. These claims have vastly increased since my last report due to several creditors not having claimed previously, additional creditors being added and some creditor claims being higher than anticipated.

During the period of this report, no dividends have been paid. A further dividend will be paid within a two month period of 28 February 2020 (being the date all claims must be received by) and is estimated at 11 pence in the pound. Creditors have already received dividends totalling 60.29 pence in the pound.

8. OTHER RELEVANT INFORMATION

On 1 May 2019, the sole director Mr Roy Burek sadly passed away. I understand that his son is the executor of the Estate. I have not yet had sight of the Will

CREDITORS' RIGHTS

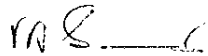
Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors), may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.

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

9. CONCLUSION

I am required to deliver a copy of my progress report within two months after the end of the period covered by the report.

For and on behalf of
Charles Owen and Company (Bow) Limited ("the Company")

A handwritten signature in dark ink, appearing to read "V.A. Simmons", with a horizontal line extending from the end of the signature.

Vincent A Simmons
Liquidator

Enc.

Charles Owen and Company (Bow) Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

| Statement of Affairs £ | | From 13/01/2019 To 12/01/2020 £ | From 13/01/2017 To 12/01/2020 £ |
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| | Other Assets | NIL | 50,637.80 |
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| 1,964,291.00 | Stock/WIP | NIL | 542,081.08 |
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| | Corporation Tax | NIL | 15,602.48 |
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| | Preparation of S. of A. | NIL | 4,500.00 |
| | Specific Bond | NIL | 2,480.00 |
| | Statutory Advertising | NIL | 423.00 |
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| (64,015.00) | UNSECURED CREDITORS | | |
| | Accruals | NIL | NIL |
| | Airowear payments | NIL | 1,074,475.19 |
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| (2,405.00) | HMRC | NIL | NIL |
| (638,404.00) | HMRC - APN | NIL | NIL |
| (379,940.00) | Loan - FURBS | NIL | NIL |
| (806,682.00) | Provision of redundancy pay & notice | NIL | NIL |
| (35,957.00) | Trade & Expense Creditors | NIL | 2,262,510.29 |
| (33,354.00) | Unpaid Grant | NIL | NIL |
| | | NIL | (3,336,985.48) |
| (1,000.00) | DISTRIBUTIONS | | |
| | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (248,187.00) | | (33,609.87) | 497,768.71 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 496,002.51 |
| | Vat Receivable | | 1,766.20 |
| | | | 497,768.71 |

Time and Charge Out Summary*For the period of this report, 13 January 2019 to 12 January 2020*

| Classification of work function | Partner | Manager | Administrator | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|---------|---------|---------------|-------------|---------------|-------------------------|
| Administration & Planning | 1.17 | 24.42 | 3.67 | 29.26 | 5,333.75 | 182 |
| Investigations | | 1.50 | | 1.50 | 292.50 | 195 |
| Realisation of assets | | 1.50 | | 1.50 | 292.50 | 195 |
| Creditors | 5.92 | 2.92 | | 8.84 | 2,077.50 | 235 |
| Other | 4.00 | | | 4.00 | 1,020.00 | 255 |
| Total Hours | 11.09 | 30.34 | 3.67 | 45.10 | 9,016.25 | 200 |

Accumulative, for the period from appointment to the end of this report.

| Classification of work function | Partner | Manager | Administrator | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|---------|---------|---------------|-------------|---------------|-------------------------|
| Administration & Planning | 3.67 | 103.92 | 3.92 | 111.51 | 20,562.10 | 184 |
| Investigations | 2.67 | 13.33 | | 16.00 | 3,012.09 | 188 |
| Realisation of assets | 36.00 | 27.50 | | 63.50 | 13,235.00 | 208 |
| Creditors | 45.08 | 28.92 | | 74.00 | 16,222.52 | 219 |
| Other | 13.50 | | | 13.50 | 3,252.49 | 241 |
| Total Hours | 100.92 | 173.67 | 3.92 | 278.51 | 56,284.20 | 202 |

Disbursement Recovery

Disbursements are categorised as either category 1 or category 2.

Category 1 Disbursements

External supplies of incidental services, specifically identifiable to the case. Where these have initially been paid by BV Corporate Recovery & Insolvency Services Limited and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

Category 2 Disbursements

These include elements of shared or allocated costs incurred by BV Corporate Recovery & Insolvency Services Limited and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Narrative of the Work Carried Out by the Liquidator

My remuneration has been fixed on a time costs basis in accordance with my fee estimate

Below is a summary of some of the work carried out under each category of time:

Administration and Planning

The following activities have been undertaken:

- *Statutory duties associated with the appointment.*
- *Notification of the appointment to creditors and other interested parties.*
- *Setting up case files.*
- *Reviewing available information to determine appropriate strategy.*
- *Setting up and maintaining bank accounts.*
- *Progress reviews of the case*

Staff of different grades have been assigned to the above activities, depending upon the experience required.

Realisation of Assets

Please refer to the main body of the report but in summary the time spent includes:

- *Correspondence with the secured creditors*
- *Correspondence with agents / solicitors*
- *Correspondence and meetings with interested parties.*
- *Identifying, securing and insuring of assets.*
- *Debt collection.*

The staff assigned were assigned dependent upon their level of experience.

Creditors and Distributions

The time spent includes the following matters:

- *Recording and maintaining the list of creditors.*
- *Dealing with employee related matters*
- *Dealing with retention of title claims*
- *Paying dividends*
- *Recording creditor claims.*
- *Reporting to creditors.*
- *Meetings of creditors.*
- *Dealing with creditor queries.*
- *Reviewing and evaluating creditor claims.*
- *Dealing with correspondence and meetings with HMRC specifically regarding specialist taxation matters.*

Charles Owen and Company (Bow) Limited

Fee information pursuant to The Insolvency (Amendment) Rules 2015 and Statement of Insolvency Practice 9

Overview

A Liquidator is required to set out details of work required to be undertaken on the assignment at the outset prior to seeking agreement to his fees and expenses.

He is also required to provide an estimate of those fees if he proposes to take those fees by reference to time spent dealing with the assignment. This should outline, in broad terms, what level of work is expected and how long it will take.

Fee estimates are based on the information available at the outset/date of initial request and may, of course, be subject to change if for example, unforeseen circumstances arise during the course of the assignment which may give rise to a request for an increase in the fee estimate. Creditors would be approached for approval of such an increase and the Liquidator must provide an update on the position to creditors.

Proposed fee

I propose to increase my original estimate provided in the initial notice to creditors as I have become aware of matters which I have had to deal with which were not anticipated at the outset or that have arisen as a result of the four week adjournment of the Shareholders' meeting; principally the transfer of the Intellectual Property Rights attaching to the branded stock, the financial position of a related US based company, the transfer of certain fixtures and fittings some four years prior to the date of my appointment and the legal position regarding certain currency contracts.

I therefore enclose this revised fee estimate which is likely to reflect the actual work to be undertaken.

The assignment fee is estimated in the sum of £47,130.00 based on a combined charge-out rate of £200 per hour across the categories of staff involved on the assignment and assumes an estimated 236 hours to complete the assignment.

The estimate assumes that the office-holder's activities will cover the following matters (although this is not an exhaustive list):

- **General Administration** – including setting up the case files, inputting information onto the case management system, sending notices to creditors where applicable.
- **Statutory compliance** - Progress and other reports to creditors and shareholders, Director's Conduct reports.
- **Asset Realisations** - to include strategy for chattels realisations and the realisation of all stock, work in progress incl Reservation of Title issues, dealing with Sale and Purchase Agreement, Licence to utilise Assets, etc. Also, undertaking a comprehensive debtor recovery strategy incl overseas debtor accounts.
- **Creditors** - dealing with claims by suppliers, retention of title claims, employees (if applicable), HMRC, including possible distributions to creditors. Also, to include any

disputes regarding the leasehold interest. Also, assessing the Claims made by HMRC including any litigation relating thereto.

- **Investigations** - Analysis of prior trading period and prior transactions to establish whether there may be any matters giving rise to claims by the Liquidator for the benefit of the estate.

Category 1 Disbursements

There will be a charge for statutory advertising costs for insertions in the London Gazette of £338.40 plus VAT (subject to any increases), and a Specific Penalty Bond payable of £3,040.00

Category 2 Disbursements

Category 2 disbursements will be payable in accordance with the attached schedule.

It should be noted that this firm's charge-out rates increase annually but the fee estimate reflects likely increases.

Third party fees and expenses

Creditors approved my appointment of Messrs Eddisons Commercial Limited as professional valuers and to advise on the likely sale of the principal business assets. They estimate their fees for this assignment as £25,000 plus applicable VAT and out of pocket expenses.

Creditors sanctioned my appointment of JMW, Solicitors, as my legal advisors and their projected fees are £22,500 plus applicable VAT for assisting with all legal issues related to the Intellectual Property Rights, the currency contracts and the Sale & Purchase Agreement related to the company's principal business assets.

Charles Owen and Company (Bow) Limited

Revised Fee Estimate

Fee information pursuant to The Insolvency (Amendment) Rules 2015 and Statement of Insolvency Practice 9

Overview

A Liquidator is required to set out details of work required to be undertaken on the assignment at the outset prior to seeking agreement to his fees and expenses.

He is also required to provide an estimate of those fees if he proposes to take those fees by reference to time spent dealing with the assignment. This should outline, in broad terms, what level of work is expected and how long it will take.

Fee estimates are based on the information available at the outset/date of initial request and may, of course, be subject to change if for example, unforeseen circumstances arise during the course of the assignment which may give rise to a request for an increase in the fee estimate. Creditors would be approached for approval of such an increase and the Liquidator must provide an update on the position to creditors.

Proposed fee

I propose to increase my original estimate. See paragraph 6 of the progress report which explains the additional time spent and the benefit to creditors as a result of that additional time

I therefore enclose this revised fee estimate which is likely to reflect the actual work to be undertaken.

The assignment fee is estimated in the sum of £65,130.00 based on a combined charge-out rate of £205.37 per hour across the categories of staff involved on the assignment and assumes an estimated 322 hours to complete the assignment.

As well as the additional time referred to in the progress report, the estimate assumes that the office-holder's activities will also cover the following matters (although this is not an exhaustive list):

- **General Administration** – including setting up the case files, inputting information onto the case management system, sending notices to creditors where applicable.
- **Statutory compliance** - Progress and other reports to creditors and shareholders, Director's Conduct reports.
- **Asset Realisations** - to include strategy for chattels realisations and the realisation of all stock, work in progress incl Reservation of Title issues, dealing with Sale and Purchase Agreement, Licence to utilise Assets, etc. Also, undertaking a comprehensive debtor recovery strategy incl overseas debtor accounts.
- **Creditors** - dealing with claims by suppliers, retention of title claims, employees (if applicable), HMRC, including possible distributions to creditors. Also, to include any

disputes regarding the leasehold interest. Also, assessing the Claims made by HMRC including any litigation relating thereto.

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Creditors sanctioned my appointment of JMW, Solicitors, as my legal advisors and their projected fees were £22,500 plus applicable VAT for assisting with all legal issues related to the Intellectual Property Rights, the currency contracts and the Sale & Purchase Agreement related to the company's principal business assets. This figure has vastly increased and details are shown in the progress report.