

WU07

Notice of progress report in a winding-up by the court



Companies House

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

1 Company details

Company number 0 2 8 1 9 2 7 9

Company name in full Mulberry Insurance Services Limited

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

2 Liquidator's name

Full forename(s) Alexander

Surname Kinninmonth

3 Liquidator's address

Building name/number Highfield Court

Street Tollgate

Post town Chandlers Ford

County/Region Eastleigh

Postcode S O 5 3 3 T Y

Country

4 Liquidator's name ①

Full forename(s) Richard

Surname Brewer

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Highfield Court

Street Tollgate

Post town Chandlers Ford

County/Region Eastleigh

Postcode S O 5 3 3 T Y

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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Period of progress report

From date	^d 1	^d 9	^m 0	^m 1	^y 2	^y 0	^y 2	^y 0
To date	^d 1	^d 8	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 8	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1
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Presenter information

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

Contact name **Richard Brewer**

Company name **RSM Restructuring Advisory LLP**

Address **Highfield Court, Tollgate**

Chandlers Ford

Post town **Eastleigh**

County/Region

Postcode

S	O	5	3		3	T	Y
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Country

DX

Telephone **023 8064 6464**



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

MULBERRY INSURANCE SERVICES LIMITED - IN LIQUIDATION

JOINT LIQUIDATORS' PROGRESS REPORT
FOR THE TWELVE MONTH PERIOD TO 18 JANUARY 2021

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder	Case Manager
Richard Brewer RSM Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TY Tel: 023 8064 6464	Jet Ghag RSM Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TY Tel: 023 8064 6464

Basis of preparation

This report has been prepared to comply with the statutory requirements of legislation to provide creditors with information relating to the progress of the liquidation. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Joint Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Joint Liquidators act as agents of the Company and without personal liability.

This report has been produced during the Covid-19 restrictions. Due to limited access to the physical case files, the information has been obtained from electronic records, which may not be as complete as the physical records. Every effort has been made to ensure the information is as accurate as possible.

General guidance on the Liquidation process

You may also wish to note that profession's trade body, R3, have also produced general guidance on the different insolvency processes, which can be located at their website

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CONDUCT OF THE LIQUIDATION

Realisation of assets

Trade debtors

The Company's accounting records indicated trade debtors with a book value of £1,032,804. The majority of this balance comprises of a single ledger balance, which dates back several years. The director has stated that this is a historical adjustment input by a former accountant, which he is unable to explain further. The Company has operated an Employer Financed Retirement Benefits Scheme ("EFRBS"). The Joint Liquidators have obtained further information from the EFRBS provider, which suggests that the historical debtor balance may be connected to the EFRBS scheme.

The Joint Liquidators' investigations in this regard are ongoing.

Void dispositions

A review of the accounting records has highlighted various payments amounting to approximately £450,000 were made after the date of the presentation of the winding up petition on 12 October 2017. A validation order was not obtained by the Company and as such these payments are void pursuant to Section 127 of the Insolvency Act 1986. Of this amount, circa £280,000 relates to payments made to connected parties. The remaining void dispositions comprise of a large volume of smaller transactions with a variety of unconnected counterparties.

To date the Joint Liquidators have recovered £2,886 in respect of void dispositions.

Isadore Goldman LLP, solicitors, have been instructed to pursue the remaining void dispositions.

Directors' loan account

The director has stated that he considers that he is a creditor of the Company. The Joint Liquidators' investigations in this regard are ongoing.

The time costs incurred to date in respect of asset realisations are shown on the attached analysis of time costs and future estimated costs are detailed in the fee estimate provided to creditors on 12 March 2019.

Investigations

All investigative matters have previously been reported.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure case management. Key work done in the period included:

Statutory requirements

- preparing, review and issuing progress reports to creditors and other prescribed parties; and
- taxation matters, post appointment VAT, corporation and other post appointment tax returns and payments.

Case management matters

- periodic case reviews, ongoing case planning and statutory, liaising with joint office holder;
- maintaining and updating case management records;
- dealing with routine correspondence not attributable to other categories of work;
- maintenance of cashing records, bank accounts, receipts and payments, billing, and
- initial and ongoing consideration of ethical, conflict & anti money laundering checks.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT. However, as the Company was not VAT registered, the VAT is irrecoverable and is shown as a 'cost of realisation'.

OUTSTANDING MATTERS

Assets remaining to be realised

T. Details of the work still required, and the anticipated costs are set out in the “Conduct of the Liquidation” section above, and below.

The Joint Liquidators continue to make enquires and progress matters relating to trade debtors, void dispositions, and the directors’ loan account.

Other outstanding matters

The Joint Liquidators had received £14,783 in respect of monies held in a designated insurance premium account. These funds have been held in trust for the beneficial owners.

In the period £13,992 has been repaid to one of the beneficiaries, Axa, and the balance of £913 remains to be returned to certain other parties.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£'000)	Paid to date (£'000)	Estimated future prospects
Preferential creditors	3	Nil	Uncertain
Unsecured creditors	1,566	Nil	Uncertain

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

In this case, as the prospect of a dividend being paid to the unsecured creditors is uncertain, no work has been done to agree creditors' claims, other than that necessary for the purposes of admitting claims for voting, where applicable.

Creditors whose debts are treated as a small debt in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of debt if they wish to vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed.

- preparation of general (non-statutory) reports to creditors;
- dealing with communication with creditors, and
- maintenance of schedules of creditors' claims.

Creditors would only derive an indirect financial return from this work on cases where a dividend is payable.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT LIQUIDATORS' FEES, COSTS AND EXPENSES

Guide to Liquidator's fees and expenses

A Guide to Liquidator's Fees, which provides information for creditors in relation to the fees and expenses of an Liquidator, can be accessed at [under 'general information for creditors'](#). A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

The unsecured creditors are the Relevant Approving Body and will be responsible for approving the Joint Liquidators' fee basis and, where applicable, 'Category 2' expenses. However, if a liquidation committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Basis of remuneration

Insolvency legislation allows a Liquidator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Liquidator has to deal with (percentage basis);
- to the time spent by the Liquidator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

Remuneration charged

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done. It does not mean the Joint Liquidators' fees have been paid.

Amounts paid to date, if any, are shown in the attached receipts and payments account.

During the period, the fees charged by the Joint Liquidators, on the basis set out above, totalled £9,952. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £92,442.

Further fee approval

The amount of fee that can be drawn is limited to the revised amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate. It cannot be further increased or the percentage rate changed, without their approval.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Liquidators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account. The quantum of costs and expenses is in line with the estimates previously provided to creditors.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	85	Nil
Statutory advertising	85	Nil
Website fee	8	Nil
Transport / delivery costs	461	Nil
Insurance Premium	539	Nil
Land Registry searches	51	Nil
Postage	Nil	1
Total	1,229	1

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Joint Liquidators, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the relevant Approving Body before being paid from the insolvency estate.

The Relevant Approving Body has approved the payment of the 'Category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)
Room hire (£100 per hour)	Nil	Nil
Mileage (42.5p per mile)	194	Nil
Tracker reports (£10 per report)	Nil	Nil
Subsistence (£25 per night)	Nil	Nil
Total	194	0

Other professional costs

The Joint Liquidators retained the following advisers based on their experience and expertise. These costs are not subject to approval by the Relevant Approving Body. However, they are subject to review and approval by the Joint Liquidators.

Party	Nature of advice	Total estimated (£)	Incurred in period (£)
Shakespeare Martineau LLP	Legal advice – Sale of Business	11,510	Nil
Pitmans LLP	Legal advice – FCA advice	1,500	Nil
Verisona Law LLP	Legal advice – Void dispositions	5,010	Nil
One E Consulting Limited	Legal advice – EFRBS scheme	500	Nil
Isadore Goldman LLP	Legal advice – Void dispositions	27,985	500
Proudley Associates Limited	Agent - Valuation	250	Nil
Total		46,755	500

Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

If you wish to make a request for further information, then it must be made within 21 days of receipt of this report in writing by either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court on the grounds that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive. Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.



Richard Brewer
Restructuring Advisory Director
RSM Restructuring Advisory LLP
Joint Liquidator

Alexander Kinnimonth and Richard Brewer are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

APPENDICES

A. STATUTORY INFORMATION

Company information

Company name:	Mulberry Insurance Services Limited
Company number:	02819279
Date of incorporation:	18 May 1993
Trading name:	Mulberry Insurance
Trading address:	Mulberry House, Lamport Drive, Heartlands Business Park, Daventry NN11 8YH
Principal activity:	Insurance and Pension Funding, Except Compulsory Social Security
Registered office:	RSM Restructuring Advisory LLP Highfield Court, Tollgate Chandlers Ford Eastleigh, Hampshire SO53 3TY
Previous company names:	-
Directors:	Mr Neil Holloway
Secretary:	-

Liquidation information

Court reference:	High Court of Justice No 007635 of 2017	
Joint Liquidators:	Alexander Kinnimonth and Richard Brewer	
Date of appointment:	19 January 2018	
Joint Liquidators:	Primary office holder Alexander Kinnimonth RSM Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TY 023 8064 6464 IP Number: 9019	Primary office holder Richard Brewer RSM Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TY 023 8064 6464 IP Number: 9038

B. RECEIPTS AND PAYMENTS SUMMARY

Statement of Affairs £	From 19/01/2020 To 18/01/2021 £	From 19/01/2018 To 18/01/2021 £
	ASSET REALISATIONS	
	Bank Interest Gross	431.52
Uncertain	Book Debts	NIL
	Deposit on creditor's petition	1,600.00
Uncertain	Furniture & Equipment	NIL
60,000.00	Goodwill	65,000.00
	Insurance Premium Account	14,783.15
	Other Refund	40.00
	Recovery of Void Dispositions	2,886.12
		84,740.79
	COST OF REALISATIONS	
	Agents / Valuers Fees	250.00
	Bank Charges	198.00
	Corporation Tax	8,268.14
	Insurance	539.14
	Insurance Premium refund	13,992.27
	Irrecoverable VAT	7,444.61
	ISA Cheque Fees	7.35
	Legal Fees	18,519.95
	Office Holders Fees	10,000.00
	Official Receivers Remuneration	5,000.00
	Petitioners Costs	9,895.15
	Secretary of State Fees	6,000.00
	Storage Costs	461.00
	Tax deducted at source	88.63
		(80,664.24)
	PREFERENTIAL CREDITORS	
(23,320.00)	Employee Arrears/Hol Pay	NIL
		NIL
	UNSECURED CREDITORS	
(89,353.11)	Employees	NIL
(377,350.91)	Ergo Versicherung AG	NIL
(2,321,743.58)	HM Revenue and Customs	NIL
(450,000.00)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(350,000.00)	Ordinary Shareholders	NIL
		NIL
(3,551,767.60)		4,076.55
	REPRESENTED BY	
	Insolvency Service Account (ISA)	3,163.49
	ISA IB - IPA	913.06
		4,076.55

D. POST-APPOINTMENT TIME ANALYSIS

Joint Liquidators' post appointment time cost analysis for the period 19 January 2020 to 18 January 2021

Please note that we have re-designed our SIP9 analysis table to provide a more detailed breakdown of the work carried out. This change does not alter the value of time costs recorded, purely the row within the table to which that time, and cost, has been allocated.

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Statutory Requirements									
Case Management	0.0	0.0	0.0	0.4	0.0	0.0	0.4	£ 110.00	275.00
Creditors/shareholders decisions, meetings & reports	0.2	0.7	0.0	4.1	1.0	0.0	6.0	£ 1,604.00	267.33
Pension Scheme	0.0	0.1	0.0	1.7	0.0	0.0	1.8	£ 507.00	281.67
Taxation	0.0	0.1	0.0	0.2	0.0	0.0	0.3	£ 102.50	341.67
Total	0.2	0.9	0.0	6.4	1.0	0.0	8.5	£ 2,323.50	273.35
Realisation of Assets									
Assets - general/other	0.0	0.0	0.0	1.5	0.0	0.0	1.5	£ 412.50	275.00
Assets - litigation / investigation	0.0	0.0	0.0	3.0	0.0	0.0	3.0	£ 825.00	275.00
Total	0.0	0.0	0.0	4.5	0.0	0.0	4.5	£ 1,237.50	275.00
Investigations									
DTI/DBEIS/Official Receiver	0.0	0.8	0.0	0.0	0.0	0.0	0.8	£ 316.00	395.00
Investigations/CDDA	0.2	1.0	0.0	1.1	0.0	0.0	2.3	£ 996.50	433.26
Total	0.2	1.8	0.0	1.1	0.0	0.0	3.1	£ 1,312.50	423.39
Case Specific Matters									
Legal Matters	0.0	0.8	0.0	1.3	0.0	0.0	2.1	£ 702.50	334.52
Total	0.0	0.8	0.0	1.3	0.0	0.0	2.1	£ 702.50	334.52
Creditors									
Unsecured Creditors	0.1	0.4	0.0	1.6	0.0	0.0	2.1	£ 652.00	310.48
Total	0.1	0.4	0.0	1.6	0.0	0.0	2.1	£ 652.00	310.48
Administration and Planning									
Case Management	1.1	2.6	0.0	2.8	2.8	0.0	9.3	£ 3,049.50	327.90
Cashiering	0.0	0.4	0.0	1.5	0.5	0.0	2.4	£ 674.00	280.83
Total	1.1	3.0	0.0	4.3	3.3	0.0	11.7	£ 3,723.50	318.25
Total Hours	1.6	6.9	0.0	19.2	4.3	0.0	32.0	£ 9,951.50	310.98
Total Time Cost	£ 945.00	£ 3,151.00	£ 0.00	£ 5,234.00	£ 621.50	£ 0.00	£ 9,951.50		
Total Hours	1.6	6.9	0.0	19.2	4.3	0.0	32.0	£ 9,951.50	310.98
Total Time Cost	£ 945.00	£ 3,151.00	£ 0.00	£ 5,234.00	£ 621.50	£ 0.00	£ 9,951.50		
Average Rates	590.63	456.67	0.00	272.60	144.53	0.00	310.98		