

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 03298770

Company name in full A.I. Pine Furniture Products Ltd.

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Wayne

Surname Macpherson

3 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region

Postcode SS12EG

Country

4 Liquidator's name ①

Full forename(s) Lloyd

Surname Biscoe

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region

Postcode SS12EG

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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Period of progress report

From date

^d1^d0^m0^m1^y2^y0^y2^y0

To date

^d0^d9^m0^m1^y2^y0^y2^y1

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X *wmacp*

X

Signature date

^d0^d5^m0^m3^y2^y0^y2^y1

LIQ03

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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 **Wayne Macpherson**

Company name **Begbies Traynor (Central) LLP**

Address
**The Old Exchange
234 Southchurch Road**

Post town **Southend on Sea**

County/Region

Postcode

S	S	1		2	E	G
---	---	---	--	---	---	---

Country

DX

Telephone
01702 467255



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

A.I. Pine Furniture Products Ltd. (In **Members' Voluntary Liquidation**)

Progress report

Period: 10/1/2020 to 9/1/2021

Important Notice

This report has been produced solely to comply with our statutory duty to report to members of the Company pursuant to Section 92A of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	A.I. Pine Furniture Products Ltd. (In Members' Voluntary Liquidation)
"the liquidators", "we", "our" and "us"	Wayne Macpherson of Begbies Traynor (Central) LLP,, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
preferential creditors	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	AI Pine Furniture Products
Company registered number:	03298770
Company registered office:	The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
Former trading address:	1 Leigh Industrial Estate, The Causeway, Malden, Essex, CM9 4LJ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	10 January 2019
Date of liquidators' appointment:	10 January 2019
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 10/1/2020 to 9/1/2021. For details of receipts and payments in earlier periods please refer to our previous progress report.

RECEIPTS

Gross Bank Interest

The sum of 71 pence has been earned by way of gross bank interest on the funds held in the liquidation bank account.

PAYMENTS

Insurance of Assets

Open cover insurance was arranged in respect of the Company's freehold property. The premium was discharged following the in-specie distribution of this property, which totalled £486.40.

Legal Fees and Disbursements

BTMK solicitors were instructed to undertake the conveyancing in respect of the in-specie distribution of the Company's freehold property. BTMK are authorised and regulated by the Solicitors Regulation Authority and they hold adequate professional indemnity insurance. Their fee in this regard was agreed on a fixed fee basis of £850 plus VAT, they also incurred disbursements in respect of Land Registry costs of £6.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow members to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to members.

General case administration and planning

- Updating the electronically held information at this office;
- General filing and printing of incoming communications;
- Updating case strategy plan.
- Creation, review and update of case compliance checklists.
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories.
- General case updates to include internal meetings on case strategy and effect of instruction.
- Creation of file notes where necessary;
- Completion of six monthly compliance and progression checklists;

On this engagement, the work identified above does not hold direct commercial benefit to stakeholders. Stakeholders benefit from this work as it ensures this particular engagement is dealt with to the standards

expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Submission of forms to Companies House;
- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;

Banking:

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the insolvent estate bank account.
- Complying with risk management procedures;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;

On this engagement, the work identified above does not hold direct commercial benefit to stakeholders. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and stakeholders benefit from this being done to a standard expected of this firm.

Realisation of assets

- Account for bank interest earned;

On this assignment, the work detailed above has realised assets for the solvent estate from which one or more class of stakeholders has directly benefited. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations.

Dealing with all creditors' **claims, correspondence and distributions**

- Discharging the costs of liquidation;
- Effecting a first and final distribution to creditors;

On this engagement, the work detailed above has had a direct financial benefit to stakeholders from the insolvent estate.

Other matters which includes meetings, tax, litigation, pensions and travel

Tax / VAT

- Post appointment tax compliance – submission of corporation tax return(s).
- Post appointment VAT compliance – submission of VAT returns.
- Request clearance from HMRC;

On this engagement, the work identified above does not hold direct commercial benefit to stakeholders. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and stakeholders benefit from this being done to a standard expected of this firm.

5. CREDITORS

As in any liquidation, in a members' voluntary liquidation creditors are required to prove their claims and the liquidators must examine the proofs and the particulars of the claims and admit them, in whole or in part, or

reject them. The liquidators must then settle the priorities of the creditors (as between secured, preferential, secondary preferential and unsecured creditors) before paying them in full with statutory interest.

The statement of assets and liabilities embodied within the declaration of solvency sworn by the directors indicated that there were no outstanding creditors. However, following the transfer of the property to the shareholders of the Company it transpired that a utility creditor remained, accordingly a distribution of 100p in the £ plus statutory interest was made to this creditor. We have obtained clearance from HMRC.

6. DISTRIBUTIONS TO MEMBERS

No distributions have been made to members during the period covered by this report.

7. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of the members of the Company as a set amount.

We are also authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, details of which were presented to the general meeting of the Company at which various resolutions, including the special resolution that the Company be wound up voluntarily, were passed and which is attached at Appendix 2 of this report.

We have drawn the sum of £5,000 against the set fee of £5,000 that has been approved.

Disbursements

To 9/1/2021, we have not drawn any disbursements.

Category 2 Disbursements

No Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements have been incurred.

8. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

9. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

There are no assets that remain to be realised.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to members?

General case administration and planning

- Updating case strategy plan;
- Update of case compliance checklists;
- Periodic reviews of the case generally;

There is no direct commercial benefit to stakeholders in relation to the above matters, but stakeholders benefit from case progression and accuracy. This work is necessary to progress the case and comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;
- Issuing annual progress reports for submission at Companies House

Banking:

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Processing of BACS/electronic payments where applicable;

Closure

- Preparing, reviewing and issuing final report to members;
- Filing of final return at Companies House;
- Update physical and electronic case records following closure;
- Discharging final costs and distribution of the balance of funds;

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Other matters which includes meetings, tax, litigation, pensions and travel

- Obtaining clearance from HMRC to conclude the liquidation;

The above have no direct financial benefit to stakeholders but will be done in order to comply with the Insolvency Rules, as well as a legal requirement, such as completion of corporation tax returns.

How much will this further work cost?

The above work is included within our agreed fixed fee of £5,000.

Expenses

No further expenses are expected to be incurred.

10. OTHER RELEVANT INFORMATION

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

11. MEMBERS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a member or members of the Company with at least 5% of the voting total rights of all the members having the right to vote at general meetings of the Company (or any member or members with less than 5% of the total voting rights, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to Court

Pursuant to Rule 18.34 of the Rules, within 8 weeks of receipt of this progress report any member or members of the Company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company (or any member, or members with less than 10% of the total voting rights, but with the permission of the Court) may make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

Obtaining information on the remuneration of liquidators and the payment of expenses

The basis of remuneration for acting as liquidators will be sought following appointment. Notwithstanding this, beneficiaries of the anticipated surplus are able to seek information on their rights in relation to the remuneration and the payment of expenses and can obtain a copy of 'Begbies Traynor Guide for Shareholders. A Guide to the Liquidators' fees – England and Wales' on our website at <https://www.begbies-traynorgroup.com/services-to/shareholders>

Alternatively, if you require a hard copy of the guide, please contact our office and a copy will be sent to you.

12. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in cursive script, appearing to read 'wmacp'.

Wayne Macpherson
Joint Liquidator

Dated: 5 March 2021

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 10/1/2020 to 9/1/2021

A.I. Pine Furniture Products Ltd.
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 10/01/2020 To 09/01/2021 £	From 10/01/2019 To 09/01/2021 £
	ASSET REALISATIONS		
	Bank Interest Gross	0.71	12.07
7,414.20	Cash in Hand	NIL	7,414.20
120,000.00	Freehold Land & Property	NIL	120,000.00
		<u>0.71</u>	<u>127,426.27</u>
	COST OF REALISATIONS		
	Insurance of Assets	486.40	486.40
	Joint Liquidators' Fee	NIL	5,000.00
	Legal Disbursements	6.00	6.00
	Legal Fees (1)	850.00	850.00
		<u>(1,342.40)</u>	<u>(6,342.40)</u>
	UNSECURED CREDITORS		
	Statutory Interest	34.22	34.22
	Trade Creditor	242.47	242.47
		<u>(276.69)</u>	<u>(276.69)</u>
	DISTRIBUTIONS		
	For other than Cash/In Specie	NIL	120,000.00
		<u>NIL</u>	<u>(120,000.00)</u>
127,414.20		<u>(1,618.38)</u>	<u>807.18</u>
	REPRESENTED BY		
	Bank 1 Current		807.18
			<u>807.18</u>

wmacp

Wayne Macpherson
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP,'s charging policy;

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of a solvent estate and seeks member approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to members regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where member approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF SOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF SOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ☐ Category 1 disbursements (approval not required) - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ☐ Category 2 disbursements (approval required) - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

The following items of expenditure are charged to the case (subject to approval):

Internal meeting room usage for the purpose of statutory meetings is charged at the rate of £100 (London £150) per meeting;
Car mileage is charged at the rate of 45 pence per mile;
Storage of books and records (when not chargeable as a Category 1 disbursement).

In addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements. The following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval):

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited to provide assistance with the sale of assets. Their charges will be based on a percentage of realisations plus disbursements.

Instruction of Eddisons Commercial Limited to provide a valuation of the Company's physical assets. Their charges will be based on a fixed fee to be agreed plus disbursements.

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the

case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

Services provided by an entity in which an Office Holder has an interest

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

Telephone and facsimile, Printing and photocopying, Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 March 2019 until further notice
Partner	645
Director	515
Senior Manager	440
Manager	410
Assistant Manager	315
Senior Administrator	290
Administrator	220
Trainee Administrator	n/a
Junior Administrator	160
Cashier	160
Secretarial	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

The office holder may use the services of BTG Contentious Insolvency Division during the course of the case. BTG Contentious Insolvency Division is a specialist department of the office holder's firm which provides forensic investigating services. The current charge-out rates applying to work carried out by BTG Contentious Insolvency Division are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Director	395	395
Senior Manager	365	365
Assistant Manager	270	285

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

STATEMENT OF LIQUIDATORS' EXPENSES

No further expenses have been incurred during the period covered by this report.

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory advertising	The Stationery Office	262.50	-	262.50
Bond	Insolvency Risk Services	74.70	-	74.70
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
None				