

Liquidator's Progress Report**S.192****Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

04178374

Name of Company

(a) Insert full name of
company

(a) S W Tennis Limited

(b) Insert full name(s) and
address(es)

We (b)

Paul William Harding and Graham Lindsay Down of Burton Sweet Corporate Recovery, Suite 1,
Canon Court East, Abbey Lawn, Abbey Foregate, Shrewsbury, Shropshire, SY2 5DEthe joint liquidators of the company, attach a copy of our Progress Report under section 192 of
the Insolvency Act 1986

The Progress Report covers the period from 20 May 2015 to 19 May 2016

Signed

Date 18 July 2016

Presenter's name,
address and reference (if
any)Paul William Harding
Burton Sweet Corporate Recovery
Suite 1, Canon Court East
Abbey Lawn, Abbey Foregate
Shrewsbury
Shropshire
SY2 5DE

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COMPANIES HOUSE

S.W. TENNIS LIMITED - IN LIQUIDATION

ANNUAL REPORT

18 July 2016

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1. COMPANY INFORMATION

Registered name address and number

S W Tennis Limited t/a Welti Tennis - in Liquidation (the "Company")

Registered office Suite 1, Canon Court East, Abbey Lawn, Abbey Foregate, Shrewsbury, Shropshire, SY2 5DE

Former registered office Benson House, 33 Wellington Street, Leeds LS1 4JP

Registered number 04178374

Liquidators' appointment details

Paul Harding and Graham Lindsay Down of Burton Sweet Corporate Recovery Ltd Suite 1, Canon Court East, Abbey Lawn, Abbey Foregate, Shrewsbury, Shropshire SY2 5DE were appointed joint liquidators of S W Limited on 20 May 2015 by members and creditors

2. INTRODUCTION

The purpose of this report is to detail the acts and dealings of the joint liquidators. It should be read in conjunction with previous correspondence to creditors.

3. BACKGROUND

The joint liquidators were appointed on 20 May 2015 following meetings of the members and creditors of the Company.

4. ASSET REALISATIONS

The joint liquidators' receipts and payments account for the period from 20 May 2015 to 19 May 2016 is attached at Appendix 1.

According to the statement of affairs lodged in these proceedings, the Company has two assets. There is a redress payment concerning an interest rate swap agreement, at approximately £136,042, and a related (but unquantified) claim for damages for consequential loss.

4.1 Cash at bank

Prior to the liquidation, the Company was in administration. It was dissolved as part of that process on 30 September 2012. However, in 2014, the (erstwhile) directors instructed solicitors to pursue a claim for redress in respect of the Company's interest rate swap agreement with HSBC Bank Plc. The matter settled in December 2014 and, to facilitate a further related claim and any payments to creditors, the Company was restored to the register and placed into the current liquidation process.

The Company's solicitors have accounted to us for the balance of the redress payment, after legal costs. We received the sum of £136,235.04 on 5 August 2015.

4.2 Claim for consequential loss

Redress payments, such as the one referred to at paragraph 4.1 (above), are intended to compensate for excessive interest payments; it may be that the fixed rate imposed by the swap agreement was higher than necessary and/or that the term of the agreement was too long. A consequential loss claim, on the other hand, is concerned with losses which follow from paying the excessive interest, if, as in this matter, payment gives rise to financial

difficulty, such losses can take the form of bank charges, damage to reputation, the cost of staff redundancies etc

In view of the number and scale of miss-selling claims, relating to interest rate swap agreements, a compensation scheme has been established by the Financial Conduct Authority ("the scheme") It is intended to be an expedient and costs effective alternative to litigation On advice, the joint liquidators have decided to pursue the Company's claim for consequential loss through the Scheme

To prepare the comprehensive schedule of loss needed to initiate the Scheme, the joint liquidators carried out extensive research into the circumstances of the appointment of administrators by HSBC Bank Plc, much of the Company's loss arises from these events The schedule, together with full supporting evidence, was submitted to HSBC's Past Business Review Team, who responded with a request for further information Accordingly additional information, and supporting documents, were provided

The joint liquidators have quantified consequential loss at £1,771,538 An initial offer of £21,939 has been rejected and further evidence has been submitted in support arguments for a better offer

It is anticipated that the claim will eventually be resolved by negotiated through the Scheme At present, however, it is unclear as to when it might settle

5. INVESTIGATION

An initial investigation into the company's affairs was undertaken to establish whether there were any potential asset recoveries or conduct matters that justified further investigation

There were no matters that justified further investigation in the circumstances of this appointment

A return on the conduct of any individuals, who have been directors of the Company in the three years prior to the insolvency, is required to be submitted to the Secretary of State within six months of our appointment. I confirm that our return has been submitted

6. CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Secured Creditor

The Company granted fixed and floating charges, over its assets and undertaking, to HSBC Bank and Patricia Norma Beasley, on 23 May 2006 and 8 February 2011 respectively Based on present information the joint liquidators anticipate that HSBC Bank will receive part payment of the total sum due under its charges, which on present information is something in the order of £2,722 392 We are unlikely to be in a position to pay any sums due under Ms Beasley's, second ranking, charge

Dividend in Relation to the Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986 the joint liquidators must state the amount of funds available to unsecured creditors in respect of the prescribed part The prescribed part only applies where the Company has granted a floating charge to a creditor after 15 September 2003 Where a floating charge over the Company's assets has been given, a prescribed amount of the Company's net property, after paying the preferential creditors, must be made available to the unsecured creditors The basis of this calculation is detailed below

50% of the first £10,000 of the net property, and
20% of the remaining net property up to a maximum of £600,000

Preferential creditors

There are no known preferential creditors

Unsecured creditors

Unsecured creditors' claims can be detailed as follows

	As per statement of affairs £	Claims received £
Trade creditors	254,507 00	216,289 96
Directors' loan accounts	257,050 00	
Loan from associated company	352,500 00	352,500 00
Loan notes	242,790 00	
Fletcher Estates Ltd	200,000 00	Nil
Lawn Tennis Association	82,500 00	82,500 00
Total	1,389,347.00	651,289 96

7. COSTS AND EXPENSES

The payments shown on the summary of the receipts and payments at Appendix I are in the main self-explanatory

Pre-Appointment Remuneration

At the meetings held on 20 May 2016, members and creditors authorised payment of a fee of £5,000 plus VAT and disbursements for assisting with the statement of affairs and producing and circulating notices for the meetings of members and creditors prior to my appointment

This fee was paid from first realisations and is shown on the enclosed receipts and payments account

Joint Liquidators' Remuneration

The joint liquidators' remuneration has been drawn on a time cost basis, as authorised by creditors at the S98 meeting. A resolution was passed at the meeting to the effect that the liquidators be remunerated by reference to the time properly spent by them and their staff in dealing with the administration of the liquidation

Summary of Costs

The joint liquidators' time costs for the period from 20 May 2015 to 19 May 2016 total £86,879, representing 273.2 hours at an average hourly rate of £318.01. Notwithstanding that the joint liquidators have creditors' authority to draw remuneration on a time costs basis, they are proposing to limit the fees drawn to only 85% of the time properly spent by them and their staff in dealing with the liquidation. The time costs are detailed at Appendix 2

The joint liquidators have incurred category 2 disbursements, namely travel mileage and printing. Such disbursements may include an element of overhead charges and are referred to in the resolutions passed by creditors at the meeting held on 20 May 2015.

Solicitors

With reference to paragraph 4 (above) Fodens Solicitors, who represented the Company in the redress claim, are engaged to pursue the claim for consequential loss. They are retained under a damages based agreement and will therefore be paid an agreed percentage of any damages recovered, or nothing at all if the claim fails.

8. FURTHER INFORMATION

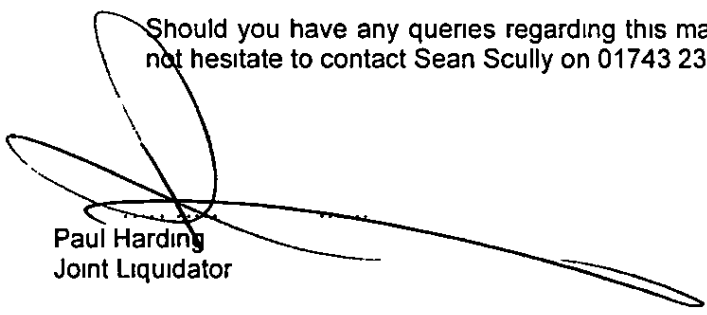
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details within the same time scale.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to the court to challenge the amount and/or basis of the liquidators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time scale.

9. CONCLUSION

With reference to paragraph 4.2 (above), negotiations are ongoing in respect of the Company's claim against HSBC Bank Plc for consequential losses. The administration of the liquidation is therefore continuing.

Should you have any queries regarding this matter, or the contents of this report, please do not hesitate to contact Sean Scully on 01743 233603.



Paul Harding
Joint Liquidator

**S.W. Tennis Limited T/A Welti Tennis & Leisure - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments**

From 20 May 2015 To 19 May 2016

S of A £		From 20/05/15	From 20/05/15
		To 19/05/16	To 19/05/16
ASSET REALISATIONS			
136,042	HSBC redress payment less costs of recovery	136,235 04	136,235 04
		136,235 04	136,235 04
COST OF REALISATIONS			
	Specific Bond	(680 00)	(680 00)
	Statement of Affairs Fee	(5,000 00)	(5,000 00)
	Office Holders Fees	(73,000 00)	(73,000 00)
	Statutory Advertising	(221 65)	(221 65)
	Printing, postage & stationery	(1,011 98)	(1,011 98)
	Bank Charges	(9 80)	(9 80)
	Vat Irrecoverable	(15,819 84)	(15,819 84)
	Travelling expenses	(47 04)	(47 04)
	Software charge	(140 00)	(140 00)
		(95,930 31)	(95,930 31)

40,304.73	40,304.73
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Paul Harding
Joint Liquidator

Joint Liquidators' Remuneration Schedule
S.W Tennis Limited
Between 20 May 2015 and 19 May 2016

Appendix 2

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	10 70	0 00	30 30	0 00	41 00	8,744 50	213 28
Investigations	89 50	0 00	2 20	0 40	92 10	31,708 00	344 28
Realisation of Assets	108 50	0 00	11 90	0 00	120 40	39,938 50	331 72
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	2 20	0 00	2 20	363 00	165 00
Case Specific Matters	17 50	0 00	0 00	0 00	17 50	6,125 00	350 00
set up and appointment docs	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total hours	226 20	0 00	46 60	0 40	273 20		
Time costs	79,170 00	0 00	7,689 00	20 00		86,879 00	
Average hourly rate	350 00	0 00	165 00	50 00			318 01

Description	Total Incurred £	Total Recovered £
	0 00	0 00
Totals	0.00	0.00

Summary of Fees

Time spent in administering the Assignment	Hours	273 20
Total value of time spent to 19 May 2016	£	86,879 00
Total Joint Liquidators' fees charged to 19 May 2016	£	73,000 00