

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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01/07/2017

#192

COMPANIES HOUSE

1 Company details

Company number 0 4 1 7 8 3 7 4

Company name in full S.W. Tennis Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul William

Surname Harding

3 Liquidator's address

Building name/number Suite 1. Canon Court East

Street Abbey Lawn, Abbey Foregate

Post town Shrewsbury

County/Region Shropshire

Postcode S Y 2 5 D E

Country

4 Liquidator's name

Full forename(s) Graham Lindsay

Surname Down

● Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number Suite 1, Canon Court East

Street Abbey Lawn, Abbey Foregate

Post town Shrewsbury

County/Region Shropshire

Postcode S Y 2 5 D E

Country United Kingdom

● Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	2	0	0	5	2	0	1	6
To date	1	9	0	5	2	0	1	7

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date

3 0 |

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2 0 | 1 | 7 |

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.

Paul Harding

Burton Sweet Corporate Recovery Ltd

Suite 1, Canon Court East

Abbey Lawn, Abbey Foregate

Shrewsbury

Shropshire

Postcode

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DX

01743 233603



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

S.W. TENNIS LIMITED - IN LIQUIDATION

ANNUAL REPORT

30 JUNE 2017

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2. Analysis of time costs
3. Details of Burton Sweet Corporate Recovery charge out rates



1. COMPANY INFORMATION

Registered name address and number

Company name: 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 our previous report and correspondence to creditors.

3. BACKGROUND

Prior to the liquidation, the Company was in administration. It was dissolved as part of that process on 30 September 2012 and then restored to the register in February 2015. The joint liquidators were appointed on 20 May 2015 following meetings of the members and creditors.

4. ASSET REALISATIONS

The joint liquidators' receipts and payments account for the period from 20 May 2016 to 19 May 2017 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.

As previously reported, the Company's solicitors have accounted to us for £136,235.04 in respect of the balance of the redress payment after legal costs.

4.2 Claim for consequential loss

With reference to our previous progress report, the Company's claim for consequential loss in excess of £1,650,000, arising from an interest rate swap agreement, was pursued through the Financial Conduct Authority's compensation scheme. In view of the fact that the Company has limited funds in these proceedings, and that the majority of the recovered funds are

claimed by the floating charge holder, the matter settled by negotiation and £16,478.79 was realised for the benefit of creditors, after payment of legal costs.

5. INVESTIGATION

As previously reported, an investigation into the Company's affairs was undertaken to establish whether there were any potential asset recoveries or conduct matters which justified further investigation. No such matters came to light and an appropriate return has been submitted to the Insolvency Service.

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. HSBC Bank is likely to receive part payment of the sums due under its charges but there are unlikely to be sufficient funds to pay any part of the debt due to Ms Beasley under her 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.

In this matter, the prescribed part amounts to £12,487.37.

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	226,518.73
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	661,518.73

We circulated notice of intended dividend to unsecured creditors on 21 June 2017, with a view to agreeing claims for the purposes of the prescribed part; the deadline for receipt of claims is 17 July 2017. At present, less than 10 claims have been lodged. It is possible, however, that many more will be received, making the costs of distributing the prescribed part prohibitive; the costs of agreeing claims must be borne by the prescribed part fund. If this

occurs, it may be necessary to apply for an order disapplying the statutory provisions which stipulate that the distribution must be made.

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 23 June 2017 total £111,837.50, representing 373.2 hours at an average hourly rate of £299.67. 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; office holder fees of £98,000 have been drawn to date.

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, were engaged to pursue the claim for consequential loss. They were retained under a damages based agreement ("DBA") and have therefore been paid an agreed percentage of the damages recovered. Fodens' entitlement to costs under the DBA amounted to 50% of damages recovered, they therefore received £16,478.79 including VAT and disbursements.

VAT receivables

The Company is registered for the purposes of VAT. Accordingly, VAT incurred on fees and disbursements is recoverable. We will continue to make such recoveries during the course of the liquidation.

"A Creditors' Guide to Liquidators' Fees" is available for download at: <https://www.r3.org.uk/what-we-do/publications/professional/fees/liquidators-fees>. Should you require a paper copy, please send your request in writing to the joint liquidators at the address set out on the cover letter with this report.

Information on this insolvency process may be found on the R3 website here <http://www.creditorinsolvencyguide.co.uk/>.

Details of our charge out rates are attached at Appendix 3.

8. FURTHER INFORMATION

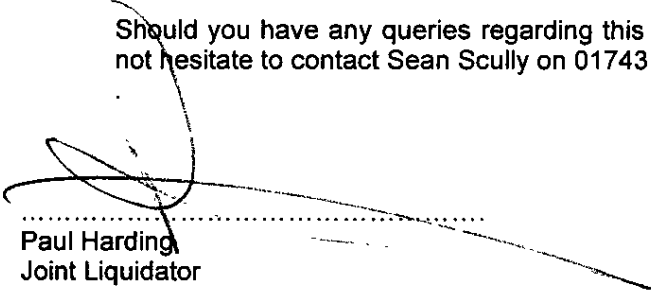
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may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

The administration of the liquidation is ongoing; we are agreeing claims with a view to a distribution and continuing to recover VAT receivable.

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

SW TENNIS LTD - IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATORS' ABSTRACT OF RECEIPTS AND PAYMENTS
FROM 20 MAY 2016 TO 19 MAY 2017

Statement of Affairs £	20/05/15 to 19/05/16 £	20/05/16 to 19/05/17 £	Total £
Realisations			
136,042 HSBC redress payment less cost of recovery	136,235.04	0.00	136,235.04
Unknown Consequential loss payment less cost of recovery	0.00	16,478.79	16,478.79
	<u>136,235.04</u>	<u>16,478.79</u>	<u>152,713.83</u>
Cost of Realisation and Administrative Expenses			
Statement of affairs fee	(5,000.00)	0.00	(5,000.00)
Joint administrators' fees	(73,000.00)	(25,000.00)	(98,000.00)
Statutory Advertising	(221.65)	0.00	(221.65)
Bank Charges	(9.80)	(3.70)	(13.50)
Travelling expenses	(47.04)	0.00	(47.04)
Software charges	(140.00)	0.00	(140.00)
Specific Bond	(680.00)	0.00	(680.00)
Printing, postage & stationery	(1,011.98)	0.00	(1,011.98)
	<u>(80,110.47)</u>	<u>(25,003.70)</u>	<u>(105,114.17)</u>
	<u>56,124.57</u>	<u>(8,524.91)</u>	<u>47,599.66</u>
Represented By:			
VAT Receivable			663.71
Bank Account			<u>46,935.95</u>
			<u>47,599.66</u>

**Joint Liquidators' Remuneration Schedule
S.W. Tennis Limited
Between 20 May 2015 and 23 June 2017**

Appendix 2

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	13.20	0.00	57.10	10.10	80.40	14,546.50	180.93
Investigations	122.00	0.00	2.20	0.40	124.60	43,083.00	345.77
Realisation of Assets	125.50	0.00	11.90	0.00	137.40	45,888.50	333.98
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	13.30	0.00	13.30	2,194.50	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	278.20	0.00	84.50	10.50	373.20		
Time costs	97,370.00	0.00	13,942.50	525.00		111,837.50	
Average hourly rate	350.00	0.00	165.00	50.00			299.67

Description	Total Incurred £	Total Recovered £
	0.00	0.00
Totals	0.00	0.00

Summary of Fees

Time spent in administering the assignment	Hours	373.20
Total value of time spent to 23 June 2017	£	111,837.50
Total Joint Liquidators' fees charged to 23 June 2017	£	98,000.00

**INFORMATION TO ASSIST CREDITORS IN REACHING AN INFORMED DECISION ON ANY
RESOLUTION SEEKING APPROVAL OF OFFICE HOLDERS' REMUNERATION**

CHARGE-OUT RATES

Burton Sweet Corporate Recovery's current hourly charge-out rates are as follows:

Position	Maximum hourly rate £
Partner	350
Managers	
Associate/Qualified senior manager	225
Senior manager	200
Manager	175
Administrators	
Senior administrator	150
Administrator	120
Assistant	100

There is no separate charge for the time of support staff such as secretarial staff or cashiers, who are accounted for as an overhead cost absorbed within the charge-out rates set out above. In accordance with normal practice the above rates may be increased periodically.

It is Burton Sweet Corporate Recovery's policy to charge in 6 minute units.

DISBURSEMENT CHARGES

The Firm's current disbursement charges, known as Category 2 disbursements, which may be reviewed periodically, are as follows:

Photocopying	15p per copy
Postage	At current postal rates
Travel	At cost
Mileage	48p per mile
Document storage (internal)	70p per box per month
Meeting room hire	£75 per meeting

It is the Firm's policy to recharge all disbursements properly incurred to the relevant insolvency case where there is identifiable specific expenditure. Any costs which may involve an element of shared or allocated costs or are for services provided by the Firm, are detailed in the Firm's receipts and payments accounts as "Category 2 Disbursements". Please note that no charge is made relating to the recovery of the Firm's overhead costs.

For further information, please contact Burton Sweet Corporate Recovery on 01179 142 058.