

# WU07

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



Companies House

WEDNESDAY



A03 \*A92IR4G8\* 08/04/2020 #138  
COMPANIES HOUSE

### 1 Company details

Company number 0 4 3 0 5 9 8 8

Company name in full Thai Silk (Waterloo) Limited

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

### 2 Liquidator's name

Full forename(s) Anthony

Surname Davidson

### 3 Liquidator's address

Building name/number Townshend House

Street Crown Road

Post town Norwich

County/Region

Postcode N R 1 3 D T

Country

### 4 Liquidator's name ①

Full forename(s) Andrew

Surname McTear

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

### 5 Liquidator's address ②

Building name/number Townshend House

Street Crown Road

Post town Norwich

County/Region

Postcode N R 1 3 D T

Country

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

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**6** Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 2	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

**7** Progress report

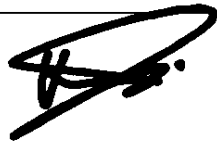
☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 0	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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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	Freya Cooper				
Company name	McTear Williams & Wood Limited				
Address	Townshend House				
	Crown Road				
Post town	Norwich				
County/Region					
Postcode	N	R	1	3	D T
Country					
DX					
Telephone	01603 877540				

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

Contact Freya Cooper  
Direct dial 01603 877546  
Email freyacooper@mw-w.com

Your ref  
My ref thai1986/514

**Townshend House  
Crown Road  
Norwich  
NR1 3DT  
Office 01603 877540  
Fax 01603 877549**



**To all known creditors/members**

7 April 2020

Dear Sirs

**Thai Silk (Waterloo) Limited (in compulsory liquidation) ("the Company")  
In the High Court of Justice No 7674 of 2016**

I refer to my appointment as joint liquidator of the above Company on 1 March 2018. This is my second annual progress report to creditors and should be read in conjunction with my previous progress report.

**1 Receipts and payments**

I enclose as Appendix 1 a copy of my receipts and payments for the period 1 March 2018 to 29 February 2020 which has been reconciled to the account held by the Secretary of State. These are shown net of VAT.

**2 Overview**

The Official Receiver's report to creditors, which was drawn up without making an allowance for the cost of the liquidation, showed that there would be no funds available for creditors.

In my previous reports I advised that it was too early for me to forecast the dividend prospects and the position remains unchanged.

**3 Assets**

**3.1 Investigations**

I instructed solicitors, Moore Blatch ("MB"), to assist with my ongoing investigations into the Company's affairs and as a result of our enquiries, I identified claims against the former director and former shadow director totalling approximately £608,167.

CAMBRIDGE COLCHESTER GUILDFORD IPSWICH LONDON NORWICH

Mctear Williams & Wood is the trading name of Mctear Williams & Wood Limited a company registered in England & Wales with company No.10375913. Registered office Townshend House, 30 Crown Road, Norwich, NR1 3DT. All of the insolvency practitioners of this practice are licensed in the UK by the Institute of Chartered Accountants in England & Wales. Our data protection privacy statement and other statutory information can be found at:

[www.mw-w.com](http://www.mw-w.com)

Neither the former director nor former shadow director have cooperated with my enquiries and I therefore instructed MB to issue letters before action. MB issued these letters in January 2020 and as at the date of this report, no responses have been received.

#### **4 Creditors' claims**

There are no funds available for creditors and therefore no formal adjudication of claims has taken place.

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part") calculated as 50% of the first £10,000 of the net property and 20% of the remaining net property up to a maximum of £600,000. As there are no charges registered over the assets of the Company, the prescribed part provisions will not apply.

#### **5 Statutory matters**

In accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 we confirm the following:

- Court name and reference: High Court of Justice No 7674 of 2016
- Company name: Thai Silk (Waterloo) Limited
- Registered office: Townshend House, Crown Road, Norwich, NR1 3DT
- Registered number: 04305988
- Liquidators: Anthony Davidson & Andrew McTear
- Liquidators' address: Townshend House, Crown Road, Norwich, NR1 3DT
- Liquidators' contact number: 01603 877540
- Date of appointment: 1 March 2018

#### **6 Remuneration disbursements and expenses**

##### **6.1 Remuneration and disbursements**

Following my appointment I sought fee approval from creditors on a time cost basis but this was rejected. I subsequently sought a further decision of creditors on 16 May 2019 by a resolution by correspondence in which creditors authorised my remuneration on a time costs basis as set out in my fee estimate of £44,971. That estimate acts as a cap and I cannot draw remuneration in excess of that without first seeking approval from creditors.

In addition creditors resolved that category 2 disbursements in respect of photocopying, mileage, storage and advertising be charged at the approved rates.

My total time costs to the anniversary and remuneration charged are:

**Figure 1: Summary of time costs and remuneration charged**

Period 1 March 2019 to 29 February 2020	Hours	Time and disbursement costs recorded £	Accrued	Amount charged £
Remuneration	77	26,500	nil	26,500
Average rate per hour	£343			

*Source: Joint Liquidators' records*

The remuneration charged relates to time costs recorded in the period 1 March 2019 to 29 February 2020 of £26,500. However, I have not been able to pay any remuneration on account of the remuneration charged and the balance will be paid as future realisations allow.

Attached at Appendix 2 is a summary of my firm's time costs for the period covered by this report and attached as Appendix 3 is a summary of my firm's total time costs from the date of my appointment. Attached as Appendix 4 is a comparison of the actual time spent with my fee estimate.

As at the date of this report my total time costs have exceeded the fee estimate set out in my fee proposal dated 18 April 2019. This is due to the increased level of work required as part of my investigations.

## 6.2 Future work and estimated remuneration

Future work still required is as follows:

**Admin and planning** – the future routine administrative work required to be carried out includes drafting and circulating further progress reports to creditors, dealing with general correspondence and queries, case management and case progression reviews, compliance with regulatory requirements and dealing with closure matters.

**Creditors** – the future work required will include statutory reporting, general correspondence with creditors, potentially agreeing creditors' claims and paying dividends. Most of this work is required by statute and should any dividend be paid this will be of benefit to creditors.

**Investigations** – the future work required will be to continue my investigations into the Company's affairs as detailed in Section 3.1 above. This work is required by statute and any realisations achieved may be of financial benefit to creditors after taking into account the costs and expenses of the liquidation.

The relevant creditors' guide to liquidators' fees in a liquidation which came into force in April 2017 and this firm's practice fee and disbursement recovery policy can be found on our website [www.mw-w.com](http://www.mw-w.com) by clicking on creditor portal and then fees and costs or a copy can be requested from this office. Disbursements are recovered at cost. Our

current charge out rates are director £550, associate director £515, associate £470, senior manager/manager £395-£445, assistant manager/senior professional £335-£360, assistant £155, assistant administrator £135 and trainee £85. Our charge out rates are reviewed annually and since 1 January 2003 have increased as detailed in our policy document.

### **6.3 Fee increase**

As detailed above I initially sought and obtained fee approval from creditors on a time costs basis of £44,971. As you can see from Appendix 3 I have already incurred time costs in excess of my fee estimate and this is due to both the statutory and administrative work completed to date and the work I have undertaken in respect of my investigations. I anticipate that I will incur further time costs of £30,000 in order to conclude my investigations and pursue any relevant claims. Should I successfully identify and pursue any potential claims then this is likely to result in realisations which may be of financial benefit to creditors.

Although some of the work completed may not give a direct financial benefit to creditors I had to undertake it in order to comply with insolvency legislation and Statements of Insolvency Practice which set out required practice. Should sufficient realisations be achieved I envisage being able to pay a dividend to unsecured creditors.

I enclose as Appendix 5 a revised fee estimate which includes the work completed to date, at a total cost of £71,472 at a blended rate of £302 per hour.

I only anticipate needing to seek further approval in excess of this increased estimate if my additional work leads to further areas of investigation, potential further asset recoveries and any associated action such as legal proceedings.

In the absence of a liquidation committee it falls to the creditors to approve my request for a fee increase. I am seeking a decision by correspondence from creditors as detailed in the enclosed notice. If you wish to vote on the decision you must complete and return the enclosed voting form to me by no later than 23.59 on 5 May 2020, the decision date. If you have not already submitted a proof of debt please complete the enclosed form and return it to me together with the relevant supporting documentation. Your vote on the decision will not count unless you have lodged a proof of debt by no later than 23.59 on 5 May 2020.

### **6.4 Liquidation expenses**

Details of the liquidation expenses incurred in the period of this report are attached as Appendix 6.

### **6.5 Further information**

Within 21 days from receipt of this report creditors may request further information about the remuneration and expenses set out in the report. The request must be made in writing and made either by a secured creditor or an unsecured creditor or creditors that total at least 5% in value of unsecured creditors or the permission of the Court. Other than in specific circumstances, which if applicable we would explain, we will provide this within 14 days.

In addition within eight weeks of receipt of the report creditors may apply to Court to challenge the amount and/or basis of the liquidator's fees and the amount of any

proposed expenses or expenses already incurred. The application may be made by a secured creditor, or by unsecured creditor(s) that total at least 10% in value of the creditors or with the permission of the Court.

I am required to inform you that I am bound by the Insolvency Code of Ethics and further information on this, complaints procedures, our data protection/privacy statement, provision of services regulations and other statutory regulatory information can also be found on our website by clicking on creditor portal and then useful information for creditors.

## **7 Closure**

The following matters are outstanding:

- Complete my ongoing investigations into the Company's affairs.
- If sufficient funds are realised, declare and pay dividend to unsecured creditors.

If you require any further information please do not hesitate to contact Freya Cooper at the above address.

Yours faithfully

A handwritten signature in black ink, appearing to read 'A. Davidson', with a large, sweeping flourish extending from the end of the signature.

Anthony Davidson  
*Joint Liquidator*

Enclosures



**Thai Silk (Waterloo) Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 01/03/2019 To 29/02/2020 £	From 01/03/2018 To 29/02/2020 £
COST OF REALISATIONS			
NIL	BIS Fees	88.00	176.00
NIL	OR handover	NIL	9,400.00
		(88.00)	(9,576.00)
		<b>(88.00)</b>	<b>(9,576.00)</b>
REPRESENTED BY ISA			(9,576.00)
			<b>(9,576.00)</b>

## Time Entry - SIP9 Time & Cost Summary

THA1986 - Thai Silk (Waterloo) Limited  
 Project Code: POST  
 From: 01/03/2019 To: 29/02/2020

Classification of Work Function	Directors	Associates & Managers	Assistant Mgrs & Sr professionals	Case Administrators	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.00	12.15	3.70	0.00	2.20	19.05	5,948.00	312.23
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.00	0.30	5.00	0.00	0.20	6.50	1,604.50	246.85
Investigations	8.00	25.15	0.40	0.00	2.30	35.85	13,210.50	368.49
Realisation of Assets	0.00	14.85	0.40	0.00	0.50	15.75	5,737.00	364.25
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>10.00</b>	<b>52.45</b>	<b>9.50</b>	<b>0.00</b>	<b>5.20</b>	<b>77.15</b>	<b>26,500.00</b>	<b>343.49</b>
<b>Total Fees Claimed</b>							<b>0.00</b>	
<b>Total Disbursements Claimed</b>							<b>0.00</b>	

## Time Entry - Detailed SIP9 Time & Cost Summary

THAI1986 - Thai Silk (Waterloo) Limited  
From: 01/03/2018 To: 29/02/2020  
Project Code: POST

Classification of Work Function	Directors	Associates & Managers	Assistant Mgrs & Snr professionals	Case Administrators	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)
103: Post appointment bank account	0.00	0.50	0.40	0.10	1.40	2.40	412.50	171.87
113: Appointment formalities	1.00	0.70	0.00	8.40	0.50	10.60	2,018.00	190.38
114: Checklists & JPS diary	0.00	1.20	1.20	1.60	0.00	4.00	882.00	220.50
115: Case strategy & reviews	0.00	27.15	0.50	1.50	0.10	29.25	9,750.00	333.33
117: Case progression meetings	1.00	5.10	2.00	0.70	0.40	9.20	2,772.50	301.36
118: Fees & billing	0.90	0.10	1.70	0.50	0.40	3.60	883.50	245.42
120: Bonding and pre appt insurance	0.10	0.00	0.70	0.20	1.00	2.00	331.00	165.50
<b>Admin &amp; Planning</b>	<b>3.00</b>	<b>34.75</b>	<b>6.50</b>	<b>13.00</b>	<b>3.80</b>	<b>61.05</b>	<b>17,048.50</b>	<b>279.27</b>
506: Unsecured - general correspondence	1.00	0.80	0.30	2.20	0.00	4.30	1,038.00	241.40
513: Pension	0.00	0.10	0.00	0.20	0.30	0.60	96.00	160.00
514: Reporting to creditors	2.00	0.90	4.90	3.50	1.00	12.30	2,774.50	225.57
<b>Creditors</b>	<b>3.00</b>	<b>1.80</b>	<b>5.20</b>	<b>5.90</b>	<b>1.30</b>	<b>17.20</b>	<b>3,808.50</b>	<b>227.24</b>
202: SIP2 / CDDA	0.00	0.10	0.00	0.00	0.00	0.10	29.50	295.00
204: Books and records	0.00	2.00	0.00	3.20	0.50	5.70	1,271.50	223.07
205: Investigating potential claims	11.50	87.05	0.60	4.00	5.20	108.35	36,880.50	340.38
<b>Investigations</b>	<b>11.50</b>	<b>89.15</b>	<b>0.60</b>	<b>7.20</b>	<b>5.70</b>	<b>114.15</b>	<b>38,181.50</b>	<b>334.49</b>
301: Debtors	0.00	0.10	0.00	0.30	0.00	0.40	77.50	193.75
307: Chattel	0.00	0.00	0.00	0.10	0.00	0.10	16.00	160.00
308: Property	0.00	1.60	0.10	4.90	0.90	7.50	1,405.50	187.40
310: Civil recovery action & litigation	0.00	20.85	0.00	0.00	0.00	20.85	7,210.00	345.80
311: Pre appointment bank account	0.00	0.60	0.00	4.30	1.50	6.40	1,065.50	166.48
312: Director's loan account	0.00	1.80	0.00	0.00	0.00	1.80	702.00	390.00
320: VAT / Tax	0.00	4.00	0.50	0.80	1.95	7.25	1,895.50	255.93
<b>Realisation of Assets</b>	<b>0.00</b>	<b>28.95</b>	<b>0.60</b>	<b>10.40</b>	<b>4.35</b>	<b>44.30</b>	<b>12,332.00</b>	<b>278.37</b>
<b>Total Hours</b>	<b>17.50</b>	<b>154.65</b>	<b>12.90</b>	<b>38.50</b>	<b>15.15</b>	<b>236.70</b>	<b>71,471.50</b>	<b>301.95</b>
<b>Total Fees Claimed</b>							<b>0.00</b>	

Time Entry - SLP9 Time & Cost Summary

Category 2 Disbursements

THAI1986 - Thai Silk (Waterloo) Limited  
Project Code: POST  
From: 01/03/2018 To: 29/02/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Amount
23/03/2018	Photocopying	2.25
Total		2.25

## Appendix 4

### Thai Silk (Waterloo) Limited (in compulsory liquidation)

#### Comparison of actual time spent to the anniversary with the fee estimate

Insolvency practitioner fee estimate	Note	Estimated hours	Estimated average rate £	Estimated cost £	Actual hours	Actual average rate £	Actual cost £
Admin and planning	1	42	264	11,101	61	279	17,049
Investigations	2	78	319	24,971	114	334	38,182
Realisations of assets	3	29	231	6,595	44	278	12,332
Creditors	4	11	215	2,304	17	227	3,909
		160	282	44,971	236	302	71,472

#### Notes

The work undertaken on this case includes routine administrative functions, statutory and compliance work required by statute, professional regulatory guidance or is otherwise necessary for the orderly conduct of the proceedings. Whilst this may not produce any direct benefit for creditors it still has to be carried out.

The appendix above details work under the following classifications:

#### 1 Admin & planning

This encompasses work required by statute and necessary for case progression.

I have exceeded the cost detailed in my initial estimate as:

- The director did not initially cooperate with my enquiries.
- More time has been spent agreeing the case strategy and completing case progression reviews than originally anticipated.

None of this work directly benefits creditors however it is required by statute or best practise and therefore still has to be carried out.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

## **2 Investigations**

As referred to in my previous report the Official Receiver has a statutory obligation to investigate the conduct of the director and has filed their report with the Department for Business Energy & Industrial Strategy. Non-statutory work required includes reviewing the Company's accounting records to identify any potential assets and claims to be pursued for the benefit of creditors.

I have exceeded the cost detailed in my initial estimate as the investigations have required further work than anticipated and the average hourly rate is higher than originally anticipated as the work completed has required the involvement of more senior members of staff. Should any realisations be achieved as a result of my investigations this may be of financial benefit to creditors, subject to the costs of the liquidation.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

## **3 Realisation of assets**

To discharge my duty to realise the assets of the Company this includes identifying and pursuing any potential claims identified.

I have exceeded the cost detailed in my initial estimate in light of the work completed and detailed in Section 3.1 of the report and again, as the work has been carried out by more senior members of staff the average hourly rate is higher than anticipated. This work may be of financial benefit to creditors should sufficient realisations be achieved to allow for a distribution to creditors once the costs of the liquidation have been met.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

## **4 Creditors**

This includes statutory reporting, corresponding with creditors, updating the list of creditors, responding to enquiries from creditors, reviewed completed creditor claim forms and maintaining claim records.

I have exceeded the cost detailed in my initial estimate predominantly due to the time spent preparing annual progress reports being greater than originally anticipated.

This work is not of financial benefit to creditors but has to be undertaken as a statutory requirement.

A schedule of routine work typically undertaken is attached as Appendix 5 and in the period covered by the report I have dealt with the ticked items.

## Routine work undertaken

Time spent on casework is recorded in 6 minute units under the following categories:

### Admin and planning

#### Appointment formalities

Carried out in  
period of report

- Collating initial information to enable us to carry out our statutory duties including creditor information, details of assets and other information. L
- Providing initial statutory notifications of our appointment to the Registrar of Companies, clients, creditors, other stakeholders and advertising our appointment. L
- Submitting initial notifications to HM Revenue & Customs. L
- Ensuring compliance with statutory obligations arising from the Insolvency Act 1986 within the relevant timescales. L
- Arranging for the redirection of the Company's mail. L

#### Post appointment bank account

- Preparing and processing vouchers for the receipt of funds received. L
- Preparing and processing vouchers for the payment of post appointment invoices. L
- Requesting remittances from the Insolvency Services Account and sending payments to settle post appointment invoices. L
- Reconciling Insolvency Services Account. D

#### Checklists & IPS diary

- Use of multiple checklists and standard and modified diaries on our case management software. D

#### Case strategy & reviews

- Use of case review templates and internal review meetings. D

#### Case progression meetings

- Formulating, monitoring and reviewing case strategy and meetings with internal and external parties to agree the same. L
- Briefing staff on the case strategy and matters in relation to various work streams. L
- Regular reviews of progress and case management including team update meetings and calls. D
- Reviews, routine correspondence and other work. D
- Allocating and managing staff/case resourcing and reviews. L
- Documenting strategy decisions. D

#### Fees & Billing

- Seeking a decision from creditors to fix the basis of remuneration. L



- Reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9.



#### **Bonding**

- Arranging bonding and reviewing the adequacy of the bond on a quarterly basis.



Note: Insolvency practitioners when appointed to act must have in place a bond which contains provisions whereby a surety or cautioner undertakes to be jointly or severally liable for losses in relation to the insolvent.



#### **Closing formalities**

- Obtaining closure clearance from Government departments.
- Preparing and issuing a final account to members and creditors.
- Preparing and sending final account to Companies House/the Court/Official Receiver.



### **Creditors**

#### **Shareholders**

- Providing notification of appointment and reports to shareholders.
- Responding to enquiries from shareholders.



#### **Secured**

- Agreeing secured creditors claims including checking the validity of security



#### **Preferential – adjudicate, declare & pay**

- Agreeing preferential creditors' claims
- Issuing notice of intended dividend, declaring dividend and making payment.



#### **Unsecured – general correspondence**

- Seeking to pass resolutions by correspondence and convening and preparing for meetings of creditors if requested.
- Creating and updating the list of unsecured creditors.
- Responding to enquiries from creditors regarding submission of their claims.
- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.



#### **Committee**

- Forming a creditors' committee, reporting and liaising as necessary



### **Employees & RPS**

- Dealing with queries from employees regarding various matters relating to their employment if applicable.
- Dealing with statutory employment related matters including obtaining information from Company records, statutory notices to employees and making statutory submissions to the relevant government departments if applicable.
- Administering the Company's payroll including associated taxation and other deductions and preparing PAYE and NIC returns where applicable.
- Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks.
- Communicating and corresponding with HM Revenue & Customs.
- Dealing with issues arising from employee redundancies including statutory notifications and liaising with the Redundancy Payments Service if applicable.
- Managing claims from employees if applicable.
- Processing and agreeing Redundancy Payments Service claims

### **Landlords**

- Dealing with landlord's claims for arrears of rent, loss of future rent and dilapidations.

### **Unsecured – adjudicate, declare & pay**

- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Agreeing unsecured claims.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Calculating, declaring and paying a dividend to creditors.

### **Pension**

- Requesting information from pension company and establishing if any claims.
- Collating information and reviewing the Company's pension schemes where applicable.
- Calculating employee pension contributions and review of pre-appointment unpaid contributions if applicable.
- Communicating with employees' representatives concerning the effect of the insolvency on pensions

### **Reporting to creditors**

- Preparing statutory receipts and payment accounts.
- Preparing progress reports to members and creditors and filing with Court/Registrar as appropriate.

## Investigations

### Books & records

- Locating relevant Company books and records, arranging for their collection, listing records and dealing with ongoing storage.
- Collating information from the Company's records regarding assets and /or investigations.



### Investigating potential claims

- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors etc.
- Reviewing the questionnaire and statements submitted by the individual to the Official Receiver.



## Realisation of assets

### Debtors

- Reviewing outstanding debtors and agreeing debt collection strategy.
- Liaising with Company credit control staff and communicating with debtors.
- Seeking legal advice in relation to book debt collections if applicable.
- Reviewing the inter-company debtor position between the Company and other group companies if applicable.
- Identifying and realising debts that are not trade debts or director loan accounts, if shown on the statement of affairs/Official Receiver's report to creditors.



### Business sale

- Planning the strategy for the sale of the business and assets including instruction and liaison with professional advisers.
- Collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale if applicable.
- Dealing with queries from interested parties and managing the information flow to potential purchasers if applicable.
- Managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties if applicable.
- Carrying out sale negotiations with interested parties if applicable.
- Issuing press releases and posting information on our website as appropriate.



### Insurance

- Arranging ongoing insurance for the Company's business and assets.
- Liaising with post appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place.
- Reviewing whether any insurance premiums due.
- Assessing the level of insurance premiums.



### Chattel

- Liaising with agents regarding the sale of assets.



#### **Property**

- Reviewing the Company's leasehold properties including review of leases if applicable.
- Communicating with landlords regarding rent, property occupation and other issues if applicable.
- Performing land registry searches if applicable.

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#### **ROT claims**

- Receiving and responding to claims from creditors that claim to have retained title to goods supplied.

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#### **Pre appointment bank account**

- Liaising with the bank regarding transfer of funds and the closure of pre appointment bank accounts.
- Dealing with the Company's pre appointment account.

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#### **Directors' loan account**

- Quantifying, agreeing and collecting monies owed by directors, if shown on the directors' statement of affairs/ Official Receivers' report to creditors.

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#### **Assets not on statement of affairs**

- Dealing with assets identified following appointment which were not detailed on the Statement of affairs.

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#### **VAT & tax**

- Calculating and claiming VAT bad debt relief.
- Calculating and claiming corporation tax terminal loss relief.
- Reviewing the Company's pre-appointment corporation tax and VAT position.
- Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations.
- Analysing post appointment VAT related transactions.
- Dealing with post appointment tax returns and compliance.

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## Fee proposal and expenses estimate

### 1 Introduction

Insolvency legislation allows us to draw our remuneration as a fixed fee, a percentage of realisations or based on time costs. In this case we propose that our remuneration be fixed by reference to time costs as set out at section 2.

### 2 Time cost basis fee

I am required to provide a fee estimate for my remuneration to be based on time costs for the whole appointment from beginning to end which I did in my fee estimate enclosed with my report dated 18 April 2019.

However, as explained in my report dated 7 April 2020 I have incurred time costs greater than previously estimated, as detailed in Figure 1 below, and seek a fee increase in line with these time costs incurred.

**Figure 1: Fee estimate**

<b>Insolvency practitioner fee estimate</b>	<b>Hours</b>	<b>Average rate £</b>	<b>Cost £</b>
Admin and planning	61	279	17,049
Investigations	114	334	38,182
Realisation of assets	44	278	12,332
Creditors	17	227	3,909
<b>Total insolvency practitioner fee</b>	<b>236</b>	<b>302</b>	<b>71,472</b>

Note: Our actual time costs may be more or less than shown in the individual categories shown above and are provided for illustrative purposes only. It is the total costs that we seek approval for.

Our fee estimate is based on the time costs incurred to 29 February 2020.

The routine work we have/will carry out is required either by statute, best practice or to practically administer the case in order to discharge our statutory obligations, maximise asset realisations and if there are sufficient funds pay a dividend to creditors as attached at Figure 3.

### 3 Explanation of work to be undertaken and why it is necessary

Whilst I have provided a comprehensive list of the work that we may undertake I am also required to explain why it needs to be done, whether it is anticipated that the work will provide a financial benefit to creditors and if so what. If the work provides no financial benefit I am required to state that it is required by statute as follows.

**Administration and planning:** This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors but has to be

undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice which set out required practice that office holders must follow.

**Investigations:** Insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary.

**Realisation of Assets:** This is the work that needs to be undertaken to protect and then realise the known assets in the case.

**Claims of creditors:** The office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

**Dividends:** The office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors should realisations allow. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

The time costs we have incurred to date in undertaking these tasks in this case £71,472 at a "blended" rate of £302 per hour which is a fair and reasonable reflection of the work necessarily undertaken when compared to charges made by other insolvency practitioner firms in similar cases.

#### **4 Expenses**

We are required to provide an estimate of the likely expenses that we will incur and I included this in my fee estimate enclosed with my report dated 18 April 2019.

There are two ways that expenses can be charged to the case, they are either directly incurred and paid by the case or they can be charged to and paid by the firm and in due course repaid to the firm from the case when there are sufficient funds. There are two categories of expenses which are termed disbursements that may be paid by the firm. Category 1 which are expenses that are direct costs to the case and Category 2 which are directly referable to the case and may include shared or allocated costs that can be allocated to the case on a proper and reasonable basis. We are required to obtain creditors approval for Category 2 expenses but are not required to obtain approval for Category 1 expenses nor expenses charged directly to the case.

My revised estimate of the likely expenses that I will incur is as follows:

**Figure 2: Expenses estimate**

<b>Expenses estimate</b>	<b>Cost £</b>
<b>Category 1 and expenses charged to the case</b>	
Advertising	155
Bordereau	40
Searches and Court fees	177
Stationery and postage	10
Meeting room hire	150
Travel and expenses	120
	<hr/> 652
<b>Category 2</b>	
Photocopying	6
	<hr/> 6

## **5 Fee resolution**

We intend to put the following resolution to creditors "that the joint liquidators' fee be increased in accordance with the revised fee estimate included in my report dated 7 April 2020". Details of our charge out rates and further helpful information about the work we do can be found on our website at [www.mw-w.com](http://www.mw-w.com) by clicking on creditor portal.

**Figure 3: Routine work**

**Admin and planning**

**Statutory and compliance**

- Collating initial information to enable us to carry out our statutory duties including creditor information, details of assets and other information.
- Providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and advertising our appointment.
- Submitting initial notifications to HM Revenue & Customs.
- Ensuring compliance with statutory obligations arising from the Insolvency Act 1986 within the relevant timescales.
- Arranging for the redirection of the Company's mail.
- Completing closing formalities.

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**Post appointment bank account**

- Setting up estate bank account.
- Preparing and processing vouchers for the payment of post appointment invoices.
- Creating remittances and sending payments to settle post appointment invoices.
- Reconciling post appointment bank accounts.

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**Checklists & IPS diary**

- Use of multiple checklists and standard and modified diaries on our case management software.

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**Case progression meetings**

- Formulating, monitoring and reviewing case strategy and meetings with internal and external parties to agree the same.
- Briefing staff on the case strategy and matters in relation to various work streams.
- Regular reviews of progress and case management including team update meetings and calls.
- Reviews, routine correspondence and other work.
- Allocating and managing staff/case resourcing and reviews.
- Documenting strategy decisions.

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**Fees & Billing**

- Preparation of our fee and expenses estimate.
- Seeking a decision from creditors to fix the basis of remuneration.
- Reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9.

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**Bonding**

- Arranging bonding and reviewing the adequacy of the bond on a quarterly basis.

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Note: Insolvency practitioners when appointed to act must have in place a bond which contains provisions whereby a surety or cautioner undertakes to be jointly or severally liable for losses in relation to the insolvent.

## Creditors

### Shareholders

- Providing notification of appointment and reports to shareholders.
- Responding to enquiries from shareholders.

### Secured

- Issuing our initial letter to secured creditors to obtain information and copy charges.
- Considering background to charge and which assets are covered.
- Calculation of the prescribed part and estimated outcomes.
- Agreeing secured creditors claims including checking the validity of security
- Reporting on progress of liquidation.

### Preferential – adjudicate, declare & pay

- Agreeing preferential creditors' claims
- Issuing notice of intended dividend, declaring dividend and making payment.
- Accounting to HM Revenue & Customs for tax.

### Unsecured – general correspondence

- Seeking to pass resolutions by correspondence and convening and preparing for meetings of creditors if requested.
- Creating and updating the list of unsecured creditors.
- Responding to enquiries from creditors regarding submission of their claims, prospects and paperwork required
- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.

### Committee

- Forming a creditors' committee, reporting and liaising as necessary

### Employees & RPS

- Dealing with queries from employees regarding various matters relating to their employment if applicable.
- Issuing claim information to employees and assisting employees to complete online applications.
- Correspondence with employees to establish pay during notice period.
- Dealing with statutory employment related matters including obtaining information from Company records, statutory notices to employees and making statutory submissions to the relevant government departments if applicable.

- Reviewing employment contracts. ┐
- Liaising with Job Centre Plus, union representatives and payroll providers. ┐
- Administering the Company's payroll including associated taxation and other deductions and preparing PAYE and NIC returns where applicable. ┐
- Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks. ┐
- Communicating and corresponding with HM Revenue & Customs. ┐
- Dealing with issues arising from employee redundancies including statutory notifications and liaising with the Redundancy Payments Service if applicable. ┐
- Agreeing employees claims to claims paid by Redundancy Payments Service. ┐
- Managing claims from employees if applicable. ┐
- Processing and agreeing Redundancy Payments Service claims. ┐

#### **Landlords**

- Dealing with landlord's claims for arrears of rent, loss of future rent and dilapidations. ┐

#### **Unsecured – adjudicate & pay**

- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims. ┐
- Agreeing/rejecting secured/preferential/client/unsecured claims. ┐
- Corresponding with rejected claims. ┐
- Dealing with disputed claims which would materially affect the dividend to other creditors. ┐
- Issuing a notice of intended dividend and placing an appropriate gazette notice. ┐
- Calculating, declaring and paying a dividend to creditors. ┐

#### **Pension**

- Requesting information from pension company and establishing if any claims. ┐
- Collating information and reviewing the Company's pension schemes where applicable. ┐
- Ensuring compliance with our duties to issue statutory notices. ┐
- Calculating employee pension contributions and review of pre-appointment unpaid contributions if applicable. ┐
- Communicating with employees' representatives concerning the effect of the insolvency on pensions ┐

#### **Reporting to creditors**

- Preparing statutory receipts and payment accounts. ┐
- Preparing progress reports to members and creditors and filing with Court/Registrar as appropriate. ┐

## Investigations

### SIP 2/ CDDA

- Reviewing pre appointment transactions.
- Reporting on the director's conduct to the Insolvency Service.
- Reviewing the questionnaires submitted by the directors of the Company.

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### Books & records

- Locating relevant Company books and records, arranging for their collection, listing records and dealing with ongoing storage.
- Collating information from the Company's records regarding assets and /or investigations.

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### Investigating potential claims

- Identifying possible causes of action which could lead to a return to creditors.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors etc.
- Considering and discussing merits of potential claims with solicitors.
- Identifying heads of claims.
- Interrogating the books and records to provide evidence, meetings with the directors over a number of months to negotiate a settlement of the claims.
- Instructing solicitors to advise on the merits of the claim and if appropriate to commence action on the claim.
- Preparing documents of solicitors and editing draft witness statements and reviewing other documents.

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## Realisation of assets

### Debtors

- Reviewing outstanding debtors and agreeing debt collection strategy.
- Liaising with Company credit control staff and communicating with debtors.
- Reconciling the sales ledger control account.
- Locating and copying invoices.
- Researching queries identified by debtors and agreeing to credit notes and/or disputing the queries.
- Seeking legal advice in relation to book debt collections if applicable.
- Considering merits of taking legal action and pursuing as appropriate, considering or providing further evidence as required.
- Reviewing the inter-company debtor position between the Company and other group companies if applicable.
- Identifying and realising debts that are not trade debts or director loan accounts, if shown on the statement of affairs.

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### Business sale

- Planning the strategy for the sale of the business and assets including instruction and liaison with professional advisers.

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- Collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale if applicable.
- Identifying interested parties by reference to information provided by the directors, our own contacts and research of interested buyers.
- Sending out memorandums to interested parties and collating return of confidentiality letters.
- Chasing up interest and sending additional information.
- Dealing with queries from interested parties and managing the information flow to potential purchasers if applicable.
- Managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties if applicable.
- Consideration of offers.
- Carrying out sale negotiations with interested parties if applicable.
- Instructing solicitors to draft sale and purchase agreement.
- Issuing press releases and posting information on our website/IP-bid as appropriate.
- Addressing potential ROT claims arising and other contract specific matters in the sale and purchase agreement.
- Agreeing and signing documents, monitoring the terms of sale and collecting the consideration.

#### **Insurance**

- Arranging ongoing insurance for the Company's business and assets.
- Liaising with post appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place.
- Reviewing whether any insurance premiums due.
- Assessing the level of insurance premiums.

#### **Chattel**

- Liaising with agents regarding the sale of assets.
- Dealing with any third party claims.

#### **Property**

- Reviewing the Company's leasehold properties including review of leases if applicable.
- Communicating with landlords regarding rent, property occupation and other issues if applicable.
- Performing land registry searches if applicable.
- Securing, insuring and making ready for sale.
- Instructing agents to market, reviewing marketing materials and considering the most appropriate method of sale.
- Instructing solicitors.
- Liaising with secured creditors.
- Dealing with tenants and utility companies.
- Considering offers and negotiating heads of terms for sale.
- Consider, review and amend sale contracts.

- Dealing with rating authorities, planning issues and environmental issues.
- Reviewing completion statement, paying fees and costs of solicitors and agents and secured creditors' claims.

#### **ROT claims**

- Receiving and responding to claims from creditors that claim to have retained title to goods supplied.
- Establishing terms of business and assets on site.

#### **Pre appointment bank account**

- Liaising with the bank regarding transfer of funds and the closure of pre appointment bank accounts.
- Dealing with the Company's pre appointment accounts.

#### **Directors' loan account**

- Identifying from the Company's books and records.
- Interrogating Company's books and records to substantiate the claims in the accounts.
- Interviewing the directors and considering investigating and responding to possible defences put forward.
- Meetings with the directors to negotiate settlement of the debt.
- Instructing solicitors and editing witness statements for Court.
- Collecting monies owed by directors

#### **Assets not on statement of affairs**

- Dealing with assets identified following appointment which were not detailed on the statement of affairs.

#### **VAT & tax**

- Gathering initial information from the Company's records in relation to taxation.
- Corresponding with the Company's former accountants, HM Revenue & Customs and directors to understand and obtain copies of the previous tax returns and accounts.
- Calculating and claiming VAT bad debt relief.
- Calculating and claiming corporation tax terminal loss relief.
- Reviewing the Company's pre-appointment corporation tax and VAT position.
- Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations.
- Analysing VAT related transactions.
- Dealing with post appointment tax returns and compliance.
- Prepare or instruct accountants to prepare tax returns to reclaim tax.

## Appendix 7

### Thai Silk (Waterloo) Limited (in compulsory liquidation)

#### Liquidation expenses

I have incurred expenses in the period covered by the report of £166 which brings total expenses since my appointment to £342. There have been no major areas of expenditure incurred in the period covered by this report.

Detailed below is a statement of expenses accrued in the liquidation during the period covered by this report.

As at 29 February 2020 I have exceeded the total expenses estimated in my fee proposal due to the reasons detailed in Appendix 4 above.

#### Statement of expenses incurred and not paid for in the period 1 March 2019 to 29 February 2020

Nature of expense	Details	Estimated expenses	Expenses brought forward	Expenses incurred in period	Expenses paid in period	Expenses carried forward
		£	£	£	£	£
<b>Sundry expenses</b>						
Stationary & Postage		3	3	nil	nil	3
Meeting room hire		nil	nil	75	nil	75
Statutory advertising		77	77	nil	nil	77
Bordereau insurance		20	20	nil	nil	20
Company searches		74	74	46	nil	120
Travel & expenses		nil	nil	45	nil	45
		<u>174</u>	<u>174</u>	<u>166</u>	<u>nil</u>	<u>340</u>
<b>Category 2 disbursements</b>						
Photocopying		2	2	nil	nil	2
		<u>2</u>	<u>2</u>	<u>nil</u>	<u>nil</u>	<u>2</u>
		<u>176</u>	<u>176</u>	<u>166</u>	<u>nil</u>	<u>342</u>

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I consider their expertise and reputation are sufficient for me to rely on their judgement. I also consider their fees represented value for money and am satisfied that they are reasonable in the circumstances of this case.

## **Notice requiring decision by correspondence**

**Thai Silk (Waterloo) Limited (in compulsory liquidation)**  
**In the High Court of Justice No 7674 of 2016**

**Company number: 04305988**

**NOTICE IS GIVEN** to the creditors of the above named company under Rule 18.30 of The Insolvency (England and Wales) Rules 2016 that a decision is required on the following resolution:

- 1 That the joint liquidators' fee be increased in accordance with the revised fee estimate included in my report dated 7 April 2020.

**The final date for votes is 5 May 2020, the decision date.**

7 April 2020



Anthony Davidson  
IP number: 11730  
Joint Liquidator

### **Explanatory notes**

- a In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at McTear Williams & Wood Limited, Townshend House, Crown Road, Norwich, NR1 3DT by no later than 23.59 hours on 5 May 2020. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
- b Creditors, including small debts of £1,000 or less, must lodge proof of their debt (if not already lodged) at the offices of McTear Williams & Wood Limited by no later than 23.59 on 5 May 2020, without which their vote will be invalid.
- c Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.
- d Creditors may, within five business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the above decision(s). Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
- e Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of the Insolvency (England and Wales) Rules 2016 about creditors' voting rights and majorities, by applying to Court under Rule 15.35 of the Insolvency (England and Wales) Rules 2016 within 21 days of 5 May 2020, the decision date.

Creditors requiring further information regarding the above should contact Freya Cooper at McTear Williams & Wood Limited, Townshend House, Crown Road, Norwich, NR1 3DT or by telephone on 01603 877540 or by email at [freya.cooper@mw-w.com](mailto:freya.cooper@mw-w.com).

## Voting on resolution

**Thai Silk (Waterloo) Limited (in compulsory liquidation)**  
**In the High Court of Justice No 7674 of 2016**

**Decision date: 5 May 2020**

Name of creditor \_\_\_\_\_

Address \_\_\_\_\_

Amount of claim £ \_\_\_\_\_

**Resolution:**

That the joint liquidators' fee be increased in accordance with the revised fee estimate included in my report dated 7 April 2020.

**FOR / AGAINST\***

**\* delete as applicable**

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Name in CAPITAL LETTERS** \_\_\_\_\_

**Position with creditor or relationship to creditor or other authority for signature**

\_\_\_\_\_  
\_\_\_\_\_



**Rule 14.4**

**PROOF OF DEBT - GENERAL FORM**

Thai Silk (Waterloo) Limited (in compulsory liquidation)	
Date of Winding-Up Order 23 January 2017	
1.	Name of creditor (If a company please also give company registration number)
2.	Address of creditor for correspondence
3.	Telephone number of creditor
4.	Email address of creditor
5.	<p>Total amount of claim, including any Value Added Tax as at the date the company went into liquidation.</p> <p>£</p> <p>Less: any payments made after that date in relation to the claim; any deductions for discounts (except a discount for immediate or early settlement) which would have been available but for the insolvency proceedings; and any adjustment as a result of set-off.</p> <p>£</p> <p>Total claim, including VAT.</p> <p>£</p>
6.	Details of any documents by reference to which the debt can be substantiated. [Note there is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting]
7.	If amount in 5 above includes outstanding uncapitalised interest please state amount
8.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
9.	Particulars of any security held, the value of the security, and the date it was given.
10.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.
11.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor
	Address of person signing (if different from 2 above)
	Date