



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

1 Company details

Company number 0 4 7 6 6 5 2 4

Company name in full B.D. (S/W) Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew

Surname Beckingham

3 Administrator's address

Building name/number Leonard Curtis

Street 40 Queen Square

Post town Bristol

County/Region

Postcode B S 1 4 Q P

Country

4 Administrator's name ①

Full forename(s) Siann

Surname Huntley

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 40 Queen Square

Post town Bristol

County/Region

Postcode B S 1 4 Q P

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 3	^d 1	^m 0	^m 7	^y 2	^y 0	^y 2	^y 0
To date	^d 3	^d 0	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X





X

Signature date

^d1

^d8

^m0

^m2

^y2

^y0

^y2

^y1

**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 **Sean Ward**

Company name **Leonard Curtis**

Address **40 Queen Square**

Post town **Bristol**

County/Region

Postcode

B	S	1		4	Q	P
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Country

DX

Telephone **0117 929 4900**

**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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

B.D. (S/W) LTD
(IN ADMINISTRATION)

Registered Number: 04766524

Court Ref: CR-2020-BRS-000083

High Court of Justice Business and Property Courts in Bristol - Company & Insolvency List (CHD)

**Joint Administrators' first progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

Report period
31 July 2020 to 30 January 2021

18 February 2021

Andrew Beckingham and Siann Huntley - Joint Administrators
Leonard Curtis
2nd Floor, 40 Queen Square, Bristol BS1 4QP
Tel: 0117 929 4900 Fax: 0117 927 0000
General email: recovery@leonardcurtis.co.uk
Ref: S/41/SKA/BB83B/1010

CONTENTS

1	Introduction
2	Statutory Information
3	Joint Administrators' Proposals
4	Progress of the Administration
5	Assets Still To Be Realised
6	Investigations
7	Joint Administrators' Remuneration and Disbursements
8	Joint Administrators' Expenses
9	Estimated Outcome for Creditors
10	Matters Still to be Dealt With
11	Extensions to the Administration
12	Next Report
13	Data Protection

APPENDICES

A	Summary of Joint Administrators' Approved Proposals
B	Summary of Joint Administrators' Receipts and Payments Account for the Period from 31 July 2020 to 30 January 2021
C	Summary of Joint Administrators' Time Costs for the Period from 31 July 2020 to 30 January 2021
D	Summary of Joint Administrators' Expenses from 31 July 2020 to 30 January 2021 Incorporating a Comparison with the Joint Administrators' Statement of Likely Expenses
E	Leonard Curtis Policy regarding Fees, Expenses and Disbursements
F	Estimated Outcome Statement
G	Proof of Debt Form
H	Privacy Notice

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NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”) to provide creditors with an update on the progress of the Administration of B.D. (S/W) Ltd (“the Company”) for the period from 31 July 2020 to 30 January 2021. This is the Joint Administrators’ first progress report to creditors.

2 STATUTORY INFORMATION

- 2.1 Andrew Beckingham and Siann Huntley were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Bristol - Company & Insolvency List (CHD), number CR-2020-BRS-000083 on 31 July 2020. The Administration appointment was made by the Director, Alexander Julian Murray. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Bristol office of Leonard Curtis, which is situated at 2nd Floor, 40 Queen Square, Bristol BS1 4QP.
- 2.3 The principal trading address of the Company was Unit 2 Lowmoor Business Park, Wellington, Somerset, TA21 0AZ. The business traded under the name Beer Direct South West.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Unit 2 Lowmoor Business Park, Wellington, Somerset, TA21 0AZ. Following the appointment, this was changed to 2nd Floor, 40 Queen Square, Bristol, BS1 4QP. The registered number of the Company is 04766524.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company’s main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS’ PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators’ approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were approved by creditors on 29 September 2020.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to realise property in order to make a distribution to secured or preferential creditors.

- 3.5 The statutory purpose of the administration has been achieved to the extent that asset realisations to date are sufficient to enable the claims of the Company's secured and preferential creditors to be paid in full. Moreover the achievement of this objective has not unnecessarily harmed the interests of the creditors as a whole as there will be a dividend payable to the Company's unsecured creditors.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 31 July 2020 to 30 January 2021.

Pre-Appointment Sale of Assets

- 4.2 As previously reported to creditors, the majority of the business and assets of the Company, including Goodwill, customer lists and databases, were sold prior to commencement of the administration to Tolchards Limited ('the Purchaser'), a competitor unconnected to the Company.
- 4.3 The agreed sale consideration was £25,000, of which £15,000 was to be payable on completion followed by further consideration of £10,000 conditional on the financial performance of the Purchaser up to July 2021.
- 4.4 Following protracted correspondence with the Purchaser which included the engagement of Wards Solicitors to assist with ongoing negotiations and issue a formal demand for payment, settlement of the initial consideration of £15,000 has now been received in full.
- 4.5 Future realisations in relation to the sale are contingent on the Purchaser's financial performance and in view of the difficult trading environment over the past 12 months, it is currently uncertain whether any further realisations will be forthcoming under the terms of the sale.

Physical Assets

- 4.6 It was not deemed appropriate to market the business for sale as a going concern as the majority of the Company's physical and intangible assets had been sold as part of an orderly wind down of the business overseen by the director.
- 4.7 As previously reported to creditors, the Company's remaining physical assets, consisting of a modest amount of office and warehouse equipment in addition to residual stock, were valued at £4,400 by Gordon Brothers on an ex-situ basis. Gordon Brothers are independent RICS registered agents specialising in providing advice and solutions in the realisation of distressed assets who hold suitable professional indemnity insurance..
- 4.8 Following a period of marketing the remaining assets for sale, an offer of £5,500 plus VAT was accepted from a number of separate purchasers on 17 August 2020, being in excess of the valuations provided by Gordon Brothers. The net proceeds of the sale been received into the administration account.

Book debts and Loan

- 4.9 The Joint Administrators have now taken over responsibility for the collection of the balance of the ledger which has a book value of £1,577.93. However, the majority debtor in the sum of £1,216.80 has been disputed, being subject to a contra claim. There are also a number of small balances due which it would not be economic to pursue at length. The extent of future recoveries is therefore uncertain, however I do not expect any significant recoveries.
- 4.10 The Company had made a loan to a third party business in the sum of £11,000. It is understood that the sum of £9,684 was outstanding in relation to this loan at the date of appointment. Appropriate steps were taken to contact the loanee and realisations of £700 have been received to date. Appropriate steps will be taken with the loanee to discuss repayment of the outstanding balance owed.

Cash at Bank

- 4.11 At the date of appointment the Company's bank account with NatWest was in credit to the sum of £1,022.41. These funds have now been received into the Joint Administrators' bank account.
- 4.12 The Company had applied for a Bounce Back loan from NatWest prior to the commencement of the administration in the sum of £50,000 which, under open disclosure, had been paid directly into the director's personal account. The full loan proceeds of £50,000 were requested and remitted to the administration account by the director immediately upon our appointment. As noted elsewhere, the loan balance is subject to registered security and is expected to be repaid in full.

Director's loan account

- 4.13 At the date of Administration the books and records of the Company indicated that the directors had overdrawn loan accounts amounting to £63,981. We contacted Mr Murray immediately on appointment requesting repayment of the outstanding loan. Full repayment of the outstanding loan was received on 6 August 2020.

Pre-Appointment Sales

- 4.14 At the initial meeting with the director on 13 July 2020, it was confirmed that all sales proceeds for the period of lockdown had been paid directly to the director's personal bank account in the sum of approximately £35,000. It was agreed by the director that these proceeds would need to be accounted for should a formal insolvency process proceed. Accordingly, upon appointment all pre-appointment sales proceeds were immediately paid across to the administration account by the director.

Trading Premises

- 4.15 The Company traded from the premises in Wellington, Somerset on an informal basis and there was no formal lease in place. The freehold to the property is owned by the director, Mr Murray. The Joint Administrators did not require the continued use of the premises to achieve the purpose of the Administration and have not occupied the premises during the administration.

Sundry Receipts

- 4.16 Receipts of £2,300 and £3,080 were received from Tolchards Ltd ("Tolchards") on 7 September 2020 and 7 October 2020 respectively in respect of gas cylinders previously owned by the Company and collected by Tolchards under the terms of the aforementioned business and assets sale agreement.
- 4.17 Bank interest of £1.32 was received in the period of this report.

5 ASSETS STILL TO BE REALISED

- 5.1 There are no known assets to be realised other than the ongoing collection of monies due from Tolchards for the collection of gas cylinders and potential further recoveries in relation to the Company's debtors and outstanding loan highlighted above.
- 5.2 One matter that the Joint Administrators are in the process of reviewing is in relation to any potential insurance claims for business interruption due to the initial UK wide lockdown from March 2020. It is evident that the lockdown was a material reason for the subsequent failure of the business and, subject to the nature of the cover in place, appropriate steps will be taken to pursue any potential claim that the Company has.

6 INVESTIGATIONS

- 6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

- 7.1 On 29 September 2020, the creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £	Total amount paid £	Total amount unpaid £
Leonard Curtis	Assessing the financial position of the Company, review of whether an Administration purpose can be achieved, assistance with appointment formalities	2,500.00	2,500.00	Nil
Wards Solicitors	Statutory and appointment matters	1,350.00	1,350.00	Nil
TOTAL		3,350.00	3,350.00	Nil

These costs have now been paid and are detailed in the receipts and payments account attached at Appendix B.

Joint Administrators' Remuneration

- 7.2 On 29 September 2020, the general body of creditors agreed that in the absence of a creditors' committee, the administrators' remuneration be fixed as a set amount of £30,000. This amount has been drawn in full.
- 7.3 The time costs incurred by the Joint Administrators for the period of this report amount to £67,280.00. This represents 165.1 hours at an average rate of £407.51 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.
- 7.4 You will note that time costs incurred to date exceed the fixed fee.
- 7.5 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. Time costs incurred in excess of the agreed fixed fee will be written off to the benefit of creditors who will receive an increased dividend as a result.
- 7.6 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" (Version 4 – April 2017) which may be downloaded from:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

7.7 If you would prefer this to be sent to you in hard copy please contact Sean Ward of this office on 0117 929 4900.

8 JOINT ADMINISTRATORS' EXPENSES

8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. On 29 September 2020, the deemed approved also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix E.

8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix D.

8.3 The expenses incurred have exceeded those anticipated within the original statement of expenses. This is primarily due to the increased involvement of Wards Solicitors in relation to unforeseen work in assisting the Joint Administrators with the realisation of the initial sale consideration of £15,000 due from Tolchards. This additional cost incurred has been to the ultimate benefit of creditors in view of the successful realisation of this sum in full.

8.4 In relation to the period from 31 July 2020 to 30 January 2021, the following professional advisors and subcontractors have been instructed:

Name of Professional Advisor	Service Provided	Basis of Fees
Wards Solicitors	Legal advice	Time costs
Gordon Brothers	Asset valuation and disposal advice	% of Realisations
Sarah Lawrence	Bookkeeping services	Fixed Fee

8.5 The Joint Administrators subcontracted the preparation of P45s in relation to the Company's former employees to the Company's former bookkeeper, Sarah Lawrence. This decision was taken due to the low fixed fee quoted and the efficiency provided by Ms Lawrence in view of her having the relevant data readily available.

8.6 The percentage of realisation fee basis agreed with Gordon Brothers is reasonable in the circumstances due to the incentive provided to achieve the best possible sale outcome for the Company's physical assets. Moreover, due to the relatively limited nature of the remaining assets on site, a time costs fee basis would have been inappropriate in the circumstances and likely would have led to significantly higher costs for dealing with these assets.

8.7 Attached at Appendix E is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 August 2019.

8.8 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question),

or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.

- 8.9 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.10 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.11 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix F.

Secured Creditor

- 9.2 NatWest Bank Plc ("NatWest") had provided an overdraft facility to the Company and hold security by way of fixed and floating charges over the assets of the Company dated 3 June 2003. As at the date of the Administration, the overdraft facility had been repaid in full, however, the charge was never updated as being satisfied and, having sought legal advice on this matter, remains valid and in force. Shortly prior to the Company's cessation of trade, the director applied for and was paid a UK Government backed "Bounce Back" loan in the sum of £50,000 from NatWest. The Joint Administrators have received details of NatWest's security and confirmation from NatWest that the security will be applied to this loan. Repayment of the full outstanding loan balance of £50,000 will be paid to NatWest shortly.

Preferential Claims

- 9.3 The Company had nine employees, including the director. As previously reported, all employees were made redundant by the director on 20 July 2020.
- 9.4 As all of the employees were paid outstanding wages up to the date of redundancy, employees had preferential claims only in respect of holiday pay up to 20 July 2020. Employees recovered sums due to them by making claims against the National Insurance Fund via the Redundancy Payments Service ("RPS"). A final claim has now been received by the RPS and preferential claims have been agreed in the sum of £2,356.60. A dividend payment of 100p in the £ in respect of agreed preferential claims will be paid shortly.

Prescribed Part

- 9.5 As the debenture held by NatWest was registered prior to 15 September 2003, the prescribed part has no application in this case.

Unsecured Non-Preferential Claims

- 9.6 On the basis of asset realisations and creditor claims received to date, unsecured creditors may expect to receive a dividend in the region of 41 pence in the pound. Please note that this is an estimate and should not be relied upon. The level of dividend will be dependent on potential future asset realisations discussed in sections 4 and 5 of this report and the final quantum of costs of the Administration and subsequent liquidation.

9.7 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

9.8 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix G for your ease of use.

10 MATTERS STILL TO BE DEALT WITH

10.1 Matters still to be dealt with before conclusion of the Administration include the following:

- The realisation of the remaining assets, as detailed in sections 4 and 5;
- Payment of a first and final distribution to the Company's secured and preferential creditors;
- Moving to Creditors' Voluntary Liquidation in order to pay a dividend to unsecured creditors in accordance with the Joint Administrators' proposals;
- Formal closure.

11 EXTENSIONS TO THE ADMINISTRATION

11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

11.2 In certain circumstances it may be necessary to extend the administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months as follows:

- With the consent of each secured creditor of the Company; and
- A decision of the unsecured creditors in a decision procedure.

11.3 We do not believe that an extension to the Administration will be necessary in this case and steps will be taken to place the Company into Creditors' Voluntary Liquidation in order to pay a dividend to the Company's unsecured creditors.

12 NEXT REPORT

12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
B.D. (S/W) LTD



ANDREW BECKINGHAM
JOINT ADMINISTRATOR

Andrew Beckingham and Siann Huntley are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 8683 and 19130, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL"). It is further proposed that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
3. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65(3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
4. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
5. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
6. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Beckingham and/or Siann Huntley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
7. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.
8. The Joint Administrators be authorised to seek an extension to the Administration period if deemed appropriate.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
31 JULY 2020 TO 30 JANUARY 2021**

	Estimated to realise £	This period £	Cumulative £
RECEIPTS			
Sundry Receipts	-	5,380.00	5,380.00
Pre-Appointment Sales	35,479.00	34,978.00	34,978.00
Sale of Physical Assets	3,900.00	5,500.00	5,500.00
Proceeds from Sale of Business	Uncertain	15,000.00	15,000.00
Director's Loan Account	63,981.00	63,981.00	63,981.00
Balance at Bank	51,022.41	51,022.41	51,022.41
Pre-Appointment Loan	Uncertain	700.00	700.00
Debtors	361.00	-	-
Interest	-	1.32	1.32
	<u>154,743.41</u>	<u>176,562.73</u>	<u>176,562.73</u>
PAYMENTS			
Joint Administrators' Remuneration		30,000.00	30,000.00
Agent's Fees and Expenses		3,090.00	3,090.00
Solicitor's Fees and Expenses (Pre-appointment)		1,350.00	1,350.00
Solicitor's Fees and Expenses (Post-appointment)		2,058.00	2,058.00
Pre-Appointment Administrator's Fee		2,500.00	2,500.00
Other Professional Fees		51.52	51.52
Storage Charges		1,123.83	1,123.83
Insurance		290.60	290.60
		<u>40,463.95</u>	<u>40,463.95</u>
Balance in Hand			<u><u>136,098.78</u></u>

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 31 JULY 2020 TO 30 JANUARY 2021

	Units	Average hourly rate £	Cost £
Statutory and review	140	351.25	4,917.50
Receipts and payments	78	273.46	2,133.00
Insurance, bonding and pensions	28	395.00	1,106.00
Assets	323	455.37	14,708.50
Liabilities	718	425.78	30,571.00
Debenture Holder	41	525.00	2,152.50
General Administration	140	281.64	3,943.00
Appointment	96	395.00	3,792.00
Planning & Strategy	7	395.00	276.50
Post Appointment Creditors Meeting	40	395.00	1,580.00
Court Related Matters	40	525.00	2,100.00
	1,651	407.51	67,280.00

DESCRIPTION OF TIME SPENT BY CATEGORY**Statutory and Review**

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors. The work to be carried out under this category has comprised the following:

- Case management reviews. These will be carried out periodically throughout the life of the case. In the early stages of the case this will involve weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will as a minimum carry out three monthly and six monthly reviews to ensure that the case is progressing as planned;
- Allocation of staff, management of staff, case resourcing and budgeting. In general, efforts have and will be made to keep costs to a minimum where possible. Due to the nature of the case, there has been minimal input to date from senior staff members, with the majority of the work having been carried out at manager level. This is likely to continue during the course of the Administration;
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of director's sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Completion of case closing procedures at the end of the case.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank account;
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that floating charge assets have been properly identified;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports. The Joint Administrators will, as a minimum, issue a full report to creditors at least twice during the course of the Administration.
- Timely completion of all post appointment tax and VAT returns; and
- Managing estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Review of the Company's existing insurance provision and liaising with insurance brokers to ensure adequate insurance cover is maintained whilst minimising costs to the estate;
- Calculation and request of joint administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s120 of the pension's legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.

Assets

- Work to achieve a sale of the Company's physical assets including:
 - Liaising with and instruction of Gordon Brothers to attend site and value the assets
 - Progressing sale discussions in conjunction with Gordon Brothers
 - Facilitating handover of assets
- Review of pre-appointment sale of Company's intangible assets and gathering information relating to the sale particulars. Liaising with the director to understand the nature of the sale and correspondence with the purchaser regarding settlement of the outstanding sums payable under the sales agreement having taken appropriate legal advice;
- Liaising with the director in order to arrange settlement directly to the Administration of outstanding sums owed to the Company in relation to cash held, pre-appointment sales proceeds and outstanding director's loan account;
- Ongoing collection of sundry debtors and loan balances owed to the Company;
- Liaising with Tolchards regarding the ongoing collection of gas cylinders and preparation of invoices;
- Undertaking a review into a potential claim against the Company's former insurance brokers with regard to Business Interruption;
- Corresponding with the Company's bankers, NatWest, regarding the pre-appointment bank accounts and any post-administration credits received; and
- Liaising with finance companies and facilitating the return of third party assets as necessary.

Liabilities / Debenture Holder

This category of time includes both statutory and non-statutory matters.

Statutory

- Review and reconciliation of the Company records and correspondence to identify creditors;
- Processing claims of the Company creditors. The Company has approximately 30 trade and expense creditors whose claims will be recorded in the Administration. It is likely that the Joint Administrators will seek to convert to Creditors' Voluntary Liquidation in order that an unsecured dividend can be paid to the Company's unsecured creditors;
- Processing of claims from the Company's employees – Assist the Company's nine employees to progress their claims for holiday pay, statutory redundancy pay and notice pay. Provide notice of appointment to the employees and instructions on how to progress claims with the Redundancy Payments Service ("RPS"). Complete forms RP14 and RP14a in relation to employee claims and submit to the RPS. Review the possibility of making a further claim to the RPS in relation to unpaid pension contributions. Undertake a review of claims and agree the claims of the Company's preferential creditors and calculate and pay a dividend distribution to this class of creditor;
- Pay a dividend distribution to NatWest under its debenture;
- Instruction of and liaising with payroll bureau agents to prepare P45 forms and closing PAYE submissions;
- Preparation, review and submission of pre-appointment tax and VAT returns, if required; and
- Preparation and submission of periodic progress reports to creditors. The Joint Administrators will, as a minimum issue a full report to creditors at least twice during the course of the Administration.

Non-statutory

- Dealing with enquiries from the Company's trade creditors;
- Dealing with enquiries from the Company's employees; and
- Liaising with the Company's secured creditor, NatWest, in relation to the validity of its debenture, its outstanding loan balance and general Administration strategy and statutory matters.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

- General planning matters and practical issues;
- Setting up and maintaining the Joint Administrators' records;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Appointment / Court Related Matters

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Preparation and review of the statutory documentation to be filed at Court in order to make the appointment;
- Travel to and attendance on site at the Company's trading premises in Wellington upon appointment;
- Initial meeting with the Company director to notify him of the appointment and collect statutory and other information in relation to the Company;
- Statutory notifications to creditors and other stakeholders following the Administrators' appointment; and
- Formulation of case strategy.

Post Appointment Creditors' Decisions

Agreeing and reporting on our proposals and fee basis is a statutory requirement. Work completed to date includes the following:

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of report to agree fee basis and Statement of Expenses in accordance with Insolvency (Amendment) Rules 2015;
- Convening a decision by correspondence to agree fees with the Company's creditors; and
- Reporting on outcome of voting.

Investigations

- Review of the Company's financials and general books and records; and
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act.

APPENDIX D

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 31 JULY 2020 TO 30 JANUARY 2021
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	15.00	10.00	10.00	0.00	10.00
Bond Fee	AUA Insolvency Risk Services	Insurance bond	260.00	260.00	260.00	0.00	260.00
Document Hosting	Pelstar	Hosting of documents for creditors	84.00	42.00	42.00	0.00	42.00
Software Licence Fee	Pelstar	Case management system licence fee	87.00	87.00	87.00	0.00	87.00
Statutory Advertising	Courts Advertising	Advertising	102.00	91.80	91.80	0.00	91.80
Postage	Royal Mail	Postage	0.00	8.90	8.90	0.00	8.90
Storage Charges	Peter Miller	Storage of documents	400.00	1,123.83	1,123.83	1,123.83	0.00
		Total standard expenses	948.00	1,623.53	1,623.53	1,123.83	499.70

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees	Gordon Brothers	Costs of valuing and realising assets (site visits, valuation report, negotiating with interested parties and clearing premises)	2,690.00	3,090.00	3,090.00	3,090.00	0.00
Legal Fees	Wards Solicitors LLP	Costs of appointed solicitors in dealing with post Administration formalities	265.00	2,058.00	2,058.00	2,058.00	0.00
Payroll Services	Sarah Lawrence	Preparation of P45s	51.52	51.52	51.52	51.52	0.00
Staff Mileage	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	52.20	43.50	43.50	0.00	43.50
Insurance	AUA Insolvency Risk Services	Open cover insurance for assets	200.00	290.60	290.60	290.60	0.00
		Total case specific expenses	3,258.72	5,533.62	5,533.62	5,490.12	43.50

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex	1 Aug 2019 onwards	Standard	Complex
	£	£		£	£
Director	450	562	Director	525	656
Senior Manager	410	512	Senior Manager	445	556
Manager 1	365	456	Manager 1	395	494
Manager 2	320	400	Manager 2	345	431
Administrator 1	260	325	Administrator 1	280	350
Administrator 2	230	287	Administrator 2	250	313
Administrator 3	210	262	Administrator 3	230	288
Administrator 4	150	187	Administrator 4	165	206
Support	0	0	Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search

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Bond / Bordereau fee	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload, plus VAT.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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IVA	£10 p.a. or £25 for life of case																									
Postage	Cost of posting documents in connection with a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, external room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:
- | | |
|-----------------------------------|--------------|
| Storage of office files (6 years) | £30 per box |
| Business mileage | 45p per mile |

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

ESTIMATED OUTCOME STATEMENT

	Secured £	Preferential £	Unsecured £
Amount available to class of creditor	128,199	130,556	78,199
Amount due to creditor per Estimated Financial Position	50,000	2,357	186,987
Estimated dividend rate (as a %)	100%	100%	41.8%

Proof of Debt – General Form
Relevant date: 31 July 2020

Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: BB83B/SKA/PROOF

Name of Company in Administration:

B.D. (S/W) Ltd

Company registered number:

04766524

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

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7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. **Please e-mail completed form to:**

recovery@leonardcurtis.co.uk quoting ref: BB83B/SKA/PROOF

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

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You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS