

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

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

1 Company details

Company number 0 5 5 9 7 8 7 7

Company name in full Furnace Farm Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Dean Anthony

Surname Nelson

3 Liquidator's address

Building name/number St Helens House

Street King Street

Post town

County/Region Derby

Postcode D E 1 3 E E

Country

4 Liquidator's name ①

Full forename(s) Megan

Surname Wallis

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Mills

Street Canal Street

Post town

County/Region Derby

Postcode D E 1 2 R J

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ14

Notice of final account prior to dissolution in CVL

6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

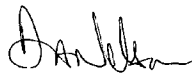
☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d1^d9

^m0^m1

^y2^y0^y2^y2

**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 **Stanley Bottrill**

Company name **PKF Smith Cooper**

Address
St Helen's House
King Street

Post town
Derby

County/Region

Postcode

D	E	1		3	E	E
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Country

DX

Telephone **01332 332021**

**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

Furnace Farm Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 30 November 2018 To 19 January 2022

Statement of Affairs		£	£
	SECURED ASSETS		
NIL	Leasehold Land & Property	NIL	
NIL	Goodwill	15,000.00	15,000.00
	SECURED CREDITORS		
(40,755.00)	National Westminster Bank plc	15,000.00	(15,000.00)
	HIRE PURCHASE		
4,000.00	Motor Vehicle	2,950.00	
(2,463.00)	Societe Generale Equipment Finance	(2,911.42)	38.58
	ASSET REALISATIONS		
35,000.00	Plant & Machinery	50,000.00	
15,000.00	Fixtures, Fittings & Equipment	21,500.00	
5,567.00	Stock	3,750.00	
	Sale of Right of Action	20,000.00	
506.00	Book Debts	1,481.42	
12,268.00	Cash at Bank and in Hand	824.49	
NIL	Prepayments and accrued income	NIL	
	Bank Interest Gross	166.58	
1,605.00	Credit Card Receipts	NIL	97,722.49
	COST OF REALISATIONS		
	Specific Bond	411.00	
	Preparation of S. of A.	15,000.00	
	Office Holders Fees	52,131.01	
	Pension Advisor	1,750.00	
	Josiah Hincks - Charge Validation	250.00	
	John Pye & Sons	3,149.00	
	Josiah Hincks - Legal Disbursements	800.00	
	Josiah Hincks (SPA)	6,500.00	
	Josiah Hincks (Investigation Matters)	11,086.50	
	Other Expenses	107.04	
	Professional Fees - IT	250.00	
	Subsistence	43.68	
	Stationery & Postage	151.50	
	Storage Costs	4,787.16	
	Statutory Advertising	370.24	
	Insurance of Assets	875.84	
	Mileage	98.10	(97,761.07)
	PREFERENTIAL CREDITORS		
(44,066.00)	Employees' Arrears of Pay	NIL	
(9,727.00)	Employees' Holiday Pay	NIL	
(2,044.00)	Pension Schemes	NIL	NIL

Furnace Farm Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 30 November 2018 To 19 January 2022

Statement of Affairs £		£	£
	UNSECURED CREDITORS		
(2,454,132.00)	Deferred Grant Income	NIL	
(238,743.00)	Trade & Expense Creditors	NIL	
(26,542.00)	Employees' Arrears of Pay	NIL	
(51,597.00)	Employees' Redundancy Pay and PIL	NIL	
(11,004.00)	Deposit Creditors	NIL	
(47,649.00)	Loyalty Customers and Voucher Credit	NIL	
(9,247.00)	HM Revenue & Customs - VAT	NIL	
(25,272.00)	HM Revenue & Customs - PAYE/NI	NIL	
(9,746,587.00)	Directors' Loan Accounts	NIL	
(4,000.00)	Other Loan Account - K Himsworth	NIL	
(975,000.00)	Other Loan Account - Settlement	NIL	
			NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	
			NIL
(13,614,883.00)			0.00
	REPRESENTED BY		
			NIL

Note:

The amounts stated are net of VAT.

The bank account is interest bearing.

A distribution was made to NatWest under their fixed charge on 28 January 2019.



Dean Anthony Nelson
Joint Liquidator

FURNACE FARM LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION
THE JOINT LIQUIDATORS' FINAL ACCOUNT TO 23 NOVEMBER 2021

Dean Anthony Nelson

PKF Smith Cooper
St Helen's House, King Street, Derby, DE1 3EE
01332 332 021

Megan Wallis

Bates Weston
The Mills, Canal Street, Derby, DE1 2RJ
01332 365855

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**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

DEFINITIONS

"Act"	Insolvency Act 1986
"ATE"	After The Event
"Bates Weston"	Bates Weston, Chartered Accountants
"Clumber"	Clumber Consultancy Limited
"Company"	Furnace Farm Limited - in Liquidation
"DLA"	Director's Loan Account
"F&F"	Fixtures, Fittings & Equipment
"Final Period"	30 November 2020 to 23 November 2021
"Firm" or "PKF Smith Cooper"	PKF SC Advisory Limited T/A PKF Smith Cooper
"HMRC"	HM Revenue & Customs
"IBR"	Independent Business Review
"Joint Liquidators"	Dean Anthony Nelson of the Firm and Megan Wallis of Bates Weston
"Josiah Hincks"	Josiah Hincks Solicitors
"JPS"	John Pye & Sons Limited
"M&A"	Merger & Acquisition
"Manolete"	Manolete Partners, Litigation Funders
"NatWest"	National Westminster Bank Plc
"P&M"	Plant & Machinery
"PAYE"	Pay As You Earn Tax
"PP"	Prescribed Part
"POD"	Proof of Debt Form
"Prepayments"	Prepayments & Accrued Income
"R&P"	Receipts and Payments Account to 23 November 2021
"Rules"	Insolvency (England & Wales) Rules 2016
"RPS"	Redundancy Payments Services
"SGEF"	Societe Generate Finance Limited
"SIP"	Statement of Insolvency Practice
"SoA"	Statement of Affairs as at 23 November 2018
"SPA"	Sale Purchase Agreement
"VAT"	Value Added Tax
"WEFO"	Welsh European Funding Office
"Whole Period"	30 November 2018 to 23 November 2021

Content

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2. Administration and Planning
3. Enquiries and Investigations
4. Realisation of Assets
5. Creditors
6. Ethics
7. Fees and Expenses
8. Creditors' Rights
9. Conclusion

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 - II. Joint Liquidators' R&P
 - III. Detailed List of Work Undertaken in the Final Period and Whole Period
 - IV. Time Cost Information for the Final Period and Whole Period
 - V. Time Cost Summary for the Final Period, Whole Period and Comparison with Estimate
 - VI. Expenses Summary for the Final Period, Whole Period and Comparison with Estimate
 - VII. PKF Smith Cooper's / Bates Weston's Charge Out Rates and Disbursement Policies
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**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

1. EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

1.1 Assets

Asset	Estimated to Realise per SoA	Total Realisations
(£)	(£)	
Assets Specifically Pledged		
Goodwill	-	15,000
Natwest's Fixed Charge	(40,755)	(15,000)
Surplus	(40,755)	-
Motor Vehicle	4,000	2,950
Societe Generale Equipment Finance Limited	(2,911)	(2,911)
Surplus	1,089	39
Assets Not Specifically Pledged		
Surplus From Goodwill	(40,755)	-
Surplus From Motor Vehicle	1,089	39
P&M	35,000	50,000
F&F	15,000	21,500
Stock	5,567	3,750
Sale of Right of Action	-	20,000
Book Debts	506	1,481
Cash at Bank & in Hand	12,268	824
Credit Card Receipts	1,605	-
Prepayments	-	-
Bank Interest	-	167
Total	30,280	97,761

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

1.2 Expenses

Expense	Amount per Fees and Expenses Estimates (£)	Expenses Incurred to Date (But not Necessarily Paid) (£)	Anticipated Further Expenses to Closure (£)	Total Anticipated Expenses (£)
Joint Liquidators' Fees (the Firm)	21,954	77,274	1,500	78,774
Joint Liquidators' Fees (Bates Weston)	5,040	11,518	-	11,518
The Firm's Pre-Appointment Fees	15,000	15,000	-	15,000
Agents and Valuers' Fees	3,000	3,149	-	3,149
Legal Fees	8,500	18,637	-	18,637
Debt Collection Agents	251	-	-	-
Other Expenses and Subsistence	80	151	-	151
Specific Bond	162	411	-	411
Storage Costs	1,000	4,787	-	4,787
Insurance Costs	-	876	-	876
Pension Advisors	-	1,750	-	1,750
Redirection of Mail	204	-	-	-
Statutory Advertising	225	370	-	370
Stationary & Postage	-	1,093	-	1,093
Professional Fees (IT)	-	250	-	250
Joint Liquidators' Category 2 Disbursements	122	98	-	98
Total	55,538	135,364	1,500	136,864

1.3 Dividend Prospects

Creditor Class	Distribution/Dividend Paid to Date	Total Anticipated Distribution/Dividend, based upon the above
Secured Creditor	£15,000	£15,000
Preferential Creditors	-	-
Unsecured Creditors	-	-

1.4 Closure

There are no further matters to be progressed, and the Liquidation may now be concluded.

2. ADMINISTRATION AND PLANNING

2.1 Statutory Information

Statutory information may be found at Appendix I.

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

FINAL ACCOUNT FOR FURNACE FARM LIMITED IN CREDITORS' VOLUNTARY LIQUIDATION

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Whole Period and Final period (in bold), the following key documents have been issued:

- The Joint Liquidators' Annual Progress Report to 29 November 2019;
- The Joint Liquidators' Annual Progress Report to 29 November 2020; and
- **The Joint Liquidators' Report in support of a remuneration request dated 11 June 2021.**

2.2 Other Administration Tasks

During the Whole Period, the following material tasks in this category were carried out:

- Consulting with staff as regards practical matters and technical aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain administration and any decisions made by the Joint Liquidators that materially affect the administration of the estate;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the Liquidation is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including bank reconciliations and processing receipts and payments; and
- Periodic tax returns, requesting both pre and post appointment Corporation Tax clearance.

3. ENQUIRIES AND INVESTIGATIONS

3.1 Investigations

During the Whole Period, the Joint Liquidators carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the Directors (and senior employees) by means of questionnaires; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The Directors provided the books and records, a completed questionnaire and a SoA.

The information obtained from this process enabled the Joint Liquidators to meet their statutory duty to submit a confidential report on the conduct of the Directors (past and present) to the Insolvency Service, which was submitted on 28 February 2019.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties, either connected to or who have past dealings with, the Company.

This initial assessment, completed in conjunction with Josiah Hincks, identified a potential action against the Directors which may lead to a recovery for creditors.

FINAL ACCOUNT FOR FURNACE FARM LIMITED IN CREDITORS' VOLUNTARY LIQUIDATION

The investigations identified that the Company had undertaken significant improvements to the leasehold premises where it operated from, spending significant funds on renovations. The renovations significantly improved the position of the Company's landlord, which at that point were Mr Michael McLaren (a Director of the Company), and his brother.

Therefore, the Joint Liquidators had a potential claim against the Landlord, for the value of the leasehold improvements carried out. In order to establish whether a claim could be pursued, the Joint Liquidators needed to prove that the landlord had been notified by the Company (being the tenant), that the renovations were to be carried out.

Having carried out further investigations, no evidence was identified that any formal notice had been given to the landlord by the Company. Any action in this respect, is required to be commenced within 3 months of the forfeiture of the lease.

As there was no evidence that the Company had provided notice of the improvements to the landlord, the Joint Liquidators had a potential claim against the Directors, at the time being Mr and Mrs McLaren for misfeasance. This was due to them failing to ensure the Company's rights in respect of the leasehold improvements were retained.

The Joint Liquidators were also aware at the time, that Mr McLaren was the major creditor of the Company, for the amount of c.£9.6m.

However, WEFO had also submitted a claim in the sum of c.£3m, in respect of "clawbacks" of grant monies paid to the Company.

The Joint Liquidators undertook significant investigations and obtained further advice in respect of this potential claim. There was also uncertainty as to whether WEFO had a claim in the Liquidation. Therefore, the Joint Liquidators considered that if WEFO did not have a claim, there would be no benefit to the estate, in pursuing Mr and Mrs McLaren for misfeasance, as the majority of the potential recoveries made, would be remitted to Mr McLaren, in his capacity as an unsecured creditor.

In September 2019, the Joint Liquidators approached WEFO, requesting confirmation that it still wished to pursue a claim against the Company. WEFO confirmed that their claim was still valid and outstanding.

As such, the Joint Liquidators initially approached Mr McLaren to obtain a settlement, in respect of the right of action. Mr and Mrs McLaren, however, strongly refuted any liability.

Despite this, Josiah Hincks and Counsel advised there to be a good case against Mr and Mrs McLaren, and that proceedings should be commenced. The Joint Liquidators therefore considered the following options, in respect of funding this potential right of action:

- Fund the action through the Liquidation estate, on a conditional fee basis, with an ATE insurance policy, to protect against any adverse cost orders; or
- Assigning the right of action to a third-party litigation funder, in this case, being Manolete, who had expressed an interest in acquiring the claim.

After considering the potential options, it was agreed that selling the potential action to Manolete, would be most beneficial for creditors. Therefore, the Joint Liquidators sold this right of action to Manolete. Please see section 4.5 of this report for further details of the sale.

As part of the ongoing matter, Manolete instructed solicitors to issue a letter before action to Mr and Mrs McLaren, who subsequently provided a detailed response to refute their enquiries.

Due to the nature of the response, WEFO were again contacted to confirm the position on their claim. WEFO conducted a further review, and subsequently advised that they no longer intended to pursue a claim in the Liquidation proceedings.

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

Given the circular nature of the action, in that Mr McLaren would receive the majority of any funds recovered, in his capacity as the major creditor, Manolete advised that they were no longer proceeding with this potential right of action claim.

Although this work did not generate significant financial benefit to creditors, it was necessary to meet the statutory duties of the Joint Liquidators as well as conduct appropriate enquiries and investigations into potential rights of actions that might possibly enhance realisations.

3.2 Pre-Appointment Transactions with Connected Parties

The Joint Liquidators can confirm that there were no significant transactions with connected parties, during the two-year period prior to their appointment.

In order to provide full visibility, the Joint Liquidators confirm that numerous purchases were made from the retail premises by connected parties during the two-year period, but no preferential terms were enjoyed by them in relation to these purchases. In addition, a very small quantity of miscellaneous assets (decorations), which were of personal sentimental value to the connected party concerned, were purchased, in the period shortly before appointment. These assets were valued at less than a £1k plus VAT and the Joint Liquidators can confirm that funds were received by the Company for these assets. In addition, the Joint Liquidators can confirm that agents have confirmed that market value was paid for these assets.

4. REALISATION OF ASSETS

The Joint Liquidators' R&P for the Final Period and Whole Period is attached at Appendix II.

Asset Summary

According to the SoA, the assets of the Company had a total estimated realisable value of c.£71k, which comprised of the following:

Assets	Estimated to Realise in SoA (£)	Realised to Date (£)	Projected Future Realisations (£)
Leasehold Land & Property	-	-	-
Goodwill	-	15,000	-
NatWest (Fixed Charge)	-	(15,000)	-
Motor Vehicle	4,000	2,950	-
SGEF (Finance Agreement)	(2,463)	(2,911)	-
P&M	35,000	50,000	-
F&F	15,000	21,500	-
Stock	5,567	3,750	-
Sale of Right of Action	-	20,000	-
Book Debts	506	1,481	-
Cash at Bank	12,268	824	-
Prepayments	-	-	-
Credit Card Receipts	1,605	-	-
Bank Interest	-	167	-
Total	71,483	97,761	-

Note: The amounts stated have been rounded to the nearest £.

During the Whole Period, realisations in this matter total c.£98k plus VAT (where applicable).

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

4.1 Goodwill/P&M/F&F/Stock

Prior to the Joint Liquidators appointment, the Firm were instructed to carry out a sale of the Company's business and assets, via an accelerated M&A process, which involved circulating potential interested parties, from various mailing lists and details provided by the Director and Senior Staff. In addition, an advert was placed on "Deal Opportunities" website.

After receiving a number of expressions of interest, only one offer was received, which was from a completely independent local businessman. Following negotiations and confirmation from JPS that the sale represented the most appropriate method of disposal for the Company's assets, a SPA was agreed and a sale was concluded on 30 November 2018, as follows:

	Valuation (£)	Agreed Sale Price (£)
Goodwill	-	15,000
P&M	35,000	50,000
F&F	15,000	21,500
Stock	5,567	3,750
Total	55,567	90,250

In addition, the purchaser took responsibility for outstanding and/or valid Retention of Title Claims made by creditors.

Whilst negotiating the sale, the Joint Liquidators became aware of a number of assets at the trading premises, which, notwithstanding the fact they were purchased by the Company, the landlord was advising that these were an integral part of the building and therefore classed as landlords' fixtures and fittings. These assets were specifically excluded from the above sale, whilst further advice could be taken.

Following receipt of this advice, which stated that the cost of making good any damage caused to remove them, would far outweigh any realisation, these Company assets were abandoned.

There have been no realisations during the Final Period and there will be no further realisations in this respect.

4.2 Motor Vehicle (Subject to Hire Purchase Agreement)

The Company owned a motor vehicle, which was subject to a hire purchase agreement with SGEF.

JPS were instructed to provide a valuation on the motor vehicle, which they estimated to be worth c.£4k plus VAT. The settlement figure due to SGEF was c.£2.9k, which suggested that equity of c.£1.1k would be available for the estate.

The vehicle was therefore recovered from Wales, back to Derby, by a member of the Joint Liquidators' staff, where it was then to be collected by JPS for sale at their Nottingham premises.

Unfortunately, during this process, due to a flat battery, the vehicle would not start and the services of a recovery vehicle were required at a cost of c.£0.1k.

The vehicle was eventually sold by JPS for the sum of c.£2.95k plus VAT, which was disappointing, given the initial valuation. After settling the indebtedness of SGEF, this led to a recovery to the estate of c.£0.04k plus VAT.

There have been no realisations during the Final Period and there will be no further realisations in this respect.

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

4.3 Book Debts

The below table details realisations made to date in respect of the book debts:

Estimated to Realise	Realisations During the Final Period	Realisations During the Whole Period
(£)	(£)	(£)
506	474	1,481

Upon the appointment of the Joint Liquidators, the Company had three outstanding debtors in the sum of c.£1.4k.

During the Whole Period, all of the debtors have made payment and therefore there will be no further realisations in this respect.

4.4 Cash at Bank/Credit Card Receipts

As at 23 November 2018, being the date which the SoA was produced, there was c.£12k in cash held on site.

On appointment of the Joint Liquidators, the value of cash held on site was c.£0.8k, which was remitted to the Liquidation bank account. The Joint Liquidators can confirm that there was a cash collection on 29 November 2019, where significant funds were removed and remitted to the Company's bank account. This has been reconciled with the books and records, and also till receipts, to confirm that no funds were misappropriated.

In addition, the Company also accepted payments by credit card. These payments were then processed by the credit card provider and funds paid directly into the Company's bank account a couple of days later. As at the date of appointment, there was c.£1.6k due from the credit card provider, which related to payments taken in the previous two days. These were however paid into the Company bank account within 24 hours of the Joint Liquidators appointment.

There have been no realisations during the Final Period and there will be no further realisations in this respect.

4.5 Sale of Right of Action

As detailed in Section 3, the Joint Liquidators sold a potential right of action to Manolete for an initial consideration of £20k.

Additionally, as part of the sale agreement with Manolete, it was agreed that a percentage of any proceeds (net of costs) will be paid to the Joint Liquidators, on the following basis:

- 50% of net proceeds, up to £1.5m;
- 60% of net proceeds, from £1.5m to £3m;
- 70% of net proceeds, in excess of £3m.

As detailed in section 3, following WEFO withdrawing their claim from the Liquidation proceedings, Manolete advised the Joint Liquidators that they were no longer proceeding with the potential right of action claim, against Mr and Mrs McLaren.

There have been no realisations during the Final Period and there will be no further realisations in this respect.

4.6 Prepayments and Accrued Income

As per the SoA, the Company had prepayments and accrued income in the sum of c.£3.5k.

Following a review of the Company's prepayments and accrued income, it was noted by the Joint Liquidators that they were not collectable, and therefore no realisations have been made in their respect during either the Final Period or Whole Period.

4.7 Bank Interest

During the Final Period, no bank interest has been received. During the Whole Period, bank interest of c.£167 has been received.

There will be no further realisations in this respect.

5. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the outcomes to creditors and any distributions paid.

5.1 Secured Creditors

As previously reported, the Company had granted the following security: -

Type of Charge	Date Created	Beneficiary
Debenture (Creating Fixed and Floating Charges)	18 December 2020	NatWest

The debt due to NatWest, was in relation to an overdraft facility given to the Company. The amount outstanding as at the date of appointment was c.£41k, excluding charges and accruing interest.

Josiah Hincks have confirmed the validity of the debenture and the charges it created.

During the Whole Period, realisation of assets which are subject to NatWest's fixed charge, amounted to £15k, which related to the sale of the Company's Goodwill. NatWest has received £15k, as a distribution under its fixed charge.

As previously reported, NatWest will not receive any further funds under either its fixed or floating charges and will have to rely upon the personal guarantees given to recover the balance of its indebtedness.

5.2 Preferential Creditors

As previously reported, the Company's employees were made redundant on 30 November 2018. The relevant employee information was provided to the RPS and information and help has been given to employees, where necessary, to enable them to submit their claims online.

On the SoA, employees were estimated to be owed c.£44k, in respect of arrears of pay and c.£10k in respect of holiday pay accrued. The Joint Liquidators have received a preferential claim totalling c.£36k from the RPS in respect of both arrears of pay and holiday pay.

In addition, it is anticipated that there will be further claims from employees, relating to the preferential element of their claims, which are not paid by the RPS, of c.£3.4k.

The SoA also anticipated a preferential claim of c.£2k, relating to non-payment of employee pension contributions. The Joint Liquidators have submitted a form RP15 to the RPS, for the repayment of the contribution arrears. Clumber have confirmed that the RPS have paid the Company's pension provider, and therefore a preferential claim of c.£0.8k was anticipated by the RPS. This claim has not been received.

As previously reported, a subrogated wages claim has been received from Mr Michael McLaren, Director of the Company, which related to the funds introduced by him at the end of October 2018, to facilitate the payment of wages due on 31 October 2018. This claim has been calculated at c.£8k.

There will not be sufficient funds to facilitate a dividend distribution to the Preferential Creditors in this matter.

5.3 Unsecured Creditors

The Unsecured Creditors in the Company's SoA totalled c.£11.136m.

Of this amount, HMRC were shown to be owed c.£34.5k, in respect of outstanding VAT and PAYE. A claim of c.£65.5k has been received from HMRC.

The Company's trade and expense creditors as per the SoA totalled c.£239k.

Total claims received from the Company's Unsecured Creditors amount to c.£13m, of which an amount of c.£9.7m relates to a debt owed to Mr McLaren, in relation to his DLA. In addition, the claim from WEFO of c.£3m has subsequently been withdrawn, leaving outstanding claims of c.£10m.

5.4 Dividends

There are insufficient funds in order to facilitate a dividend distribution to either the Company's Preferential or Unsecured Creditors.

5.5 PP

Where a floating charge is created after 15 September 2003 a PP of the Company's net property shall be made available to unsecured creditors.

There have been insufficient realisations to discharge in full all costs of the Liquidation and preferential claims. Therefore, there will be no net property from which to deduct a PP.

6. ETHICS

Please also be advised that Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

6.1 General Ethical Considerations

Prior to the Joint Liquidator's appointment, a review of ethical issues was undertaken. It was noted during this review that the Firm was previously instructed by the Company on 22 October 2018, to conduct an IBR in relation to the Company, its financial position and its affairs. In addition, the Firm was instructed on 29 October 2018, to assist the Company with undertaking an accelerated sales process.

The Firm had also previously prepared Michael and Caroline McLaren's (Directors of the Company) personal accounts and tax returns. The Firm are confident that this does not create a material professional relationship, or cause a conflict of interest, which would prevent the appointment of Dean Anthony Nelson as Joint Liquidator.

However, in the interest of mitigating any perceived threats to Dean Nelson's objectivity and independence, an independent Insolvency Practitioner, Megan Wallis of Bates Weston was appointed as Joint Liquidator. Megan Wallis has undertaken the investigations into the Firm's prior assignments and the affairs of the Company's and its Directors.

Given the safeguard in place, it has been concluded that there were no ethical threats preventing Dean Nelson from acting as Joint Liquidator.

During the Whole Period, further reviews have been carried out, and no further threats have been identified in respect of the management of the insolvency appointment. The safeguards put in place have mitigated potential threats previously identified.

6.2 Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the Firm, the Joint Liquidators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The Firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed in section 7.4.

7. FEES AND EXPENSES

7.1 Fixed Fee Agreed with the Directors and Ratified by Creditors

On 30 November 2018, the creditors authorised that the Firm be paid a fee of £15k plus VAT for assisting the Directors with placing the Company in Liquidation and for assisting with preparing the SoA.

This fee has been paid during the Whole Period and there will be no further fees in this respect.

7.2 The Joint Liquidators' Fees

It is the Firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a Manager, Director or Partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a Manager, Director or Partner.

The basis of the Joint Liquidators' fees was approved by creditors on 30 November 2018 in accordance with the following resolution:

"That the basis of the Joint Liquidators' fees be fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the winding up of the company, such time to be charged at the prevailing standard hourly charge out rates used by Smith Cooper at the time when the work is performed (plus VAT)."

The Joint Liquidators' fee estimate was adjusted on 6 July 2021 and agreed by creditors, in accordance with the following resolution:

"That the Joint Liquidators' fees be increased in line with the adjusted fee estimate detailed at Appendix 7 of the report to creditors dated 11 June 2021."

The Firm's time costs for the Final Period total c.£23k, representing c.132 hours at an average hourly rate of c.£175. The Joint Liquidators have drawn a further c.£25k plus VAT during the Final Period, this is shown in the attached R&P.

Bates Weston's time costs for the Final Period total c.£0.1k, representing c.1 hour at an average hourly rate of c.£193. No fees have been drawn during the Final Period.

The time costs for the Final Period are detailed at Appendix V.

The Firm's total time costs during the Whole Period amount to c.£77k representing c.435 hours at an average hourly rate of c.£178.

Bates Weston's total time costs during the Whole Period amount to c.£11.5k representing c.58 hours at an average hourly rate of c.£198.

Therefore, total time costs of c.£89k have been incurred during the Whole Period, meaning that c.£36k will be written off as irrecoverable.

The time costs for the Whole Period are also detailed at Appendix V and a comparison between the original estimate and time costs to date is given at Appendix VI.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators consider that the adjusted fees estimate has been exceeded. This was due to the case remaining open for longer than anticipated. This has resulted in additional work being undertaken, to ensure that the Joint Liquidators adhere to their statutory obligations.

However, given the limited realisations in this case to date, the Joint Liquidators do not propose to draw fees in excess of the adjusted fees estimate.

7.3 Expenses

The expenses, which include disbursements that have been incurred and paid during the period are detailed on Appendix VI. Also included in Appendix VI is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses exceeded that estimate.

The Category 1 disbursements incurred, but not necessarily paid, during the Whole Period amount to c.£47k plus VAT, and are detailed at Appendix VI (and those paid at Appendix II), and represent the simple reimbursement of actual out of pocket payments made in relation to the assignment.

The Category 2 disbursements incurred and paid during the Whole Period amount to c.£0.1k plus VAT, and are detailed at Appendix VI (and those paid at Appendix II).

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

A copy of 'A Creditors' Guide to Fees' may be found at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/28886/page/1/version-3-issued-october-2015/>.

Please then download the "Guide to Liquidators' Fees".

A hard copy of both the Creditors' Guide may be obtained on request.

Both the Firm's and Bates Weston's charge-out rate and disbursement policies can be found at Appendix VII.

8.4 Other Professional Costs

8.4.1 Solicitors' Fees

Josiah Hincks were instructed as legal advisors in relation to:

- Confirming the validity of the NatWest's debenture;
- Preparing and assisting with the negotiation in relation to the SPA; and
- Providing advice in relation to the matters subject to investigation.

Josiah Hincks' costs have been agreed on a fixed basis in respect of the advice provided in relation to the NatWest's debenture and dealing with the SPA. In relation to the advice relating to the matters subject to investigation, their costs have been agreed on the basis of their standard hourly charge our rates, plus disbursements and VAT.

Josiah Hincks' fees and disbursement for the Whole Period amount to c.£18.6k plus VAT, which has been paid in full.

No fees have been paid to Josiah Hincks during the Final Period and no further costs will be incurred in this respect.

8.4.2 Agents and Valuers Fees

JPS were instructed as agents and valuers in relation to the valuation and sale of the Company's chattel assets. Their costs were agreed on the basis of time spent in dealing with the matters required in this case, plus VAT.

The following costs have been invoiced and paid during the Whole Period, by the Joint Liquidators:

Fee Basis	Amount (£)
Research & Valuation	2,624
General Administration	405
Disbursements	120
Total	3,149

JPS' costs have been paid in full (plus VAT) during the Whole Period.

No fees have been paid to JPS during the Final Period and no further costs will be incurred in this respect.

8.4.3 Pension Advisors

Clumber Consultancy have been instructed to assist the Joint Liquidators in dealing with the winding up of the Company's pension scheme. During the Whole Period, the Joint Liquidators have paid Clumber £1.75k plus VAT, in relation to their fixed fee.

No fees have been paid to Clumber during the Final Period and no further costs will be incurred in this respect.

9 CREDITORS' RIGHTS

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

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

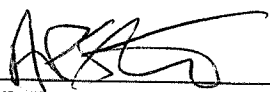
An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

10 CONCLUSION

There are no other matters outstanding and the affairs of the Company have been fully wound up.

A privacy notice as required by data protection legislation is available at www.pkfsmithcooper.com/bri-privacy-notice/.

If you require any further information, please contact this office.

Signed 
D A Nelson
Joint Liquidator
23 November 2021

PP.

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

STATUTORY INFORMATION

APPENDIX I

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

Company Name:	Furnace Farm Limited	
Trading Name:	Bodnant Welsh Food Centre	
Company Number:	05597877	
Date of Incorporation:	20 October 2005	
Nature of Business:	Other retail sale of food in specialised stores	
Registered Office:	St Helen's House, King Street, Derby. DE1 3EE	
Former Registered Office:	Tal-Y-Cafn, Colwyn Bay, Conwy, LL28 5RE	
Trading Address:	Tal-Y-Cafn, Colwyn Bay, Conwy, LL28 5RE	
Office Holders	Dean Anthony Nelson of the Firm and Megan Wallace of Bates Weston	
Office Holders' Address	St Helen's House, King Street, Derby, DE1 3EE The Mills, Canal Street, Derby, DE1 2RJ	
Date of Appointment	30 November 2018	
Directors in the Last 3 Years:	Appointed	Resigned
Andrew Douglas Miller	27 June 2018	-
Caroline McLaren	26 May 2006	-
Michael McLaren	17 March 2006	-
Maurice McMenemy	1 November 2013	-
Katherine Himsworth	12 September 2011	18 March 2018
Angus Boyd	12 September 2011	12 October 2012
Stephen Dixon	12 September 2011	31 May 2013
Christopher Morton	12 September 2011	9 November 2015
Company Secretaries in the Last 3 Years:	Appointed	Resigned
Michael McLaren	17 March 2006	-
Debentures:	NatWest, 135 Bishopgate Bank, London, EC2M 3UR	
Classes of Shares Issued:	1 £1 Ordinary Share	
Authorised Share Capital:	£1	
Name of Shareholder:	Michael McLaren	

FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

THE JOINT LIQUIDATORS R&P

APPENDIX II

Furnace Farm Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 30/11/2020 To 23/11/2021 £	From 30/11/2018 To 23/11/2021 £
	SECURED ASSETS		
NIL	Leasehold Land & Property	NIL	NIL
NIL	Goodwill	NIL	15,000.00
		NIL	15,000.00
	SECURED CREDITORS		
(40,755.00)	National Westminster Bank plc	NIL	15,000.00
		NIL	(15,000.00)
	HIRE PURCHASE		
4,000.00	Motor Vehicle	NIL	2,950.00
(2,463.00)	Societe Generale Equipment Finance	NIL	(2,911.42)
		NIL	38.58
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	166.58
506.00	Book Debts	474.29	1,481.42
12,268.00	Cash at Bank and in Hand	NIL	824.49
1,605.00	Credit Card Receipts	NIL	NIL
15,000.00	Fixtures, Fittings & Equipment	NIL	21,500.00
35,000.00	Plant & Machinery	NIL	50,000.00
NIL	Prepayments and accrued income	NIL	NIL
	Sale of Right of Action	NIL	20,000.00
5,567.00	Stock	NIL	3,750.00
		474.29	97,722.49
	COST OF REALISATIONS		
	Insurance of Assets	NIL	875.84
	John Pye & Sons	NIL	3,149.00
	Josiah Hincks - Charge Validation	NIL	250.00
	Josiah Hincks - Legal Disbursements	NIL	800.00
	Josiah Hincks (Investigation Matters)	NIL	11,086.50
	Josiah Hincks (SPA)	NIL	6,500.00
	Mileage	98.10	98.10
	Office Holders Fees	25,137.51	52,131.01
	Other Expenses	107.04	107.04
	Pension Advisor	NIL	1,750.00
	Preparation of S. of A.	NIL	15,000.00
	Professional Fees - IT	NIL	250.00
	Specific Bond	192.00	411.00
	Stationery & Postage	151.50	151.50
	Statutory Advertising	NIL	370.24
	Storage Costs	2,069.08	4,787.16
	Subsistence	43.68	43.68
		(27,798.91)	(97,761.07)
	PREFERENTIAL CREDITORS		
(44,066.00)	Employees' Arrears of Pay	NIL	NIL
(9,727.00)	Employees' Holiday Pay	NIL	NIL
(2,044.00)	Pension Schemes	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(2,454,132.00)	Deferred Grant Income	NIL	NIL
(11,004.00)	Deposit Creditors	NIL	NIL
(9,746,587.00)	Directors' Loan Accounts	NIL	NIL
(26,542.00)	Employees' Arrears of Pay	NIL	NIL
(51,597.00)	Employees' Redundancy Pay and PIL	NIL	NIL

Furnace Farm Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

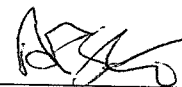
Statement of Affairs £		From 30/11/2020 To 23/11/2021 £	From 30/11/2018 To 23/11/2021 £
(25,272.00)	HM Revenue & Customs - PAYE/NI	NIL	NIL
(9,247.00)	HM Revenue & Customs - VAT	NIL	NIL
(47,649.00)	Loyalty Customers and Voucher Credit	NIL	NIL
(4,000.00)	Other Loan Account - K Himsworth	NIL	NIL
(975,000.00)	Other Loan Account - Settlement	NIL	NIL
(238,743.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(13,614,883.00)		(27,324.62)	0.00

Note:

The amounts stated are net of VAT.

The bank account is interest bearing.

A distribution was made to NatWest under their fixed charge on 28 January 2019.



Dean Anthony Nelson
Joint Liquidator

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

APPENDIX III

DETAILED LIST OF WORK UNDERTAKEN IN THE FINAL PERIOD AND WHOLE PERIOD

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

Below is detailed information about the tasks undertaken by the Joint Liquidators in the Whole Period.

Tasks undertaken during the Final Period are highlighted in bold.

General Description	Includes
Statutory and General Administration (The Firm)	
Statutory/Advertising	Filing of documents to meet statutory requirements, including annual receipts and payments accounts Preparation of VAT returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document Maintenance/File Review/Checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank Account Administration	Preparing correspondence opening bank accounts Preparing correspondence closing bank accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and Records / Storage	Collection, and making an inventory, of company books and records Dealing with records in storage
Pension Scheme	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified Instructing agents to wind up any pension scheme Liaising and providing information to be able to finalise winding up the pension scheme
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
Reports	Preparing and circulating the Annual Progress Report to 29 November 2019 Preparing and circulating the Annual Progress Report to 29 November 2020 Report to creditors in support of a decision procedure to 25 May 2021
Cashiering	Journals / Cheque Reqs / Deposit Vouchers / Daily Bank Postings Filing Bordereau Reviews
Creditors' Decisions	Preparation of decision procedure notices, proxies/voting forms Notice of decision procedure to all known creditors Collate and examine proofs and proxies/votes to conclude decisions Responding to queries and questions following decisions
Closure	Review case to ensure all matters have been finalised Obtain clearance to close case from HMRC together with submitting final tax return Issue final account to creditors

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

General Description	Includes
	File documents with Registrar of Companies
Statutory and General Administration (Bates Weston)	
Administration Task and Reporting	Letters with Joint Appointor and emails regarding strategies Providing information for reporting purposes Bonding
Investigations (The Firm)	
SIP 2 Review	Investigating affairs of the Company, and in particular bank transactions in the two years prior to liquidation Reviewing creditor questionnaires Investigating the conduct of the directors Reviewing the filed accounts, insolvent balance sheet and loss-making position to establish whether the position to creditors was worsened by continuing to trade
Statutory Reporting on Conduct of Directors	Review of specific transactions and liaising with Directors regarding certain transactions Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and Directors Reconstruction of financial affairs of the company Reviewing Company's books and records Liaising with the creditors about further action to be taken
Litigation / Recoveries	Obtaining Counsel's opinion in respect of the potential right of action Liaising with Josiah Hincks regarding potential recovery actions Reviewing position of funding the right of action Considering options for the funding of the potential right of action Liaising with Manolete regarding their interest in funding the right of action Obtaining Manolete's offer in respect of purchasing the right of action Reviewing the offer from Manolete Obtaining advice in respect of Manolete's offer Liaising with the Company's Director in respect of the right of action.
Investigations (Bates Weston)	
SIP 2 Review	Investigating affairs of the Company, and in particular bank transactions in the two years prior to liquidation Reviewing creditor questionnaires Investigating the conduct of the directors Reviewing the filed accounts, insolvent balance sheet and loss-making position to establish whether the position to creditors was worsened by continuing to trade
Statutory Reporting on Conduct of Directors	Review of specific transactions and liaising with Directors regarding certain transactions Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and Directors Reconstruction of financial affairs of the company Reviewing Company's books and records Liaising with the creditors about further action to be taken
Litigation / Recoveries	Obtaining Counsel's opinion in respect of the potential right of action Liaising with Josiah Hincks regarding potential recovery actions Reviewing position of funding the right of action Considering options for the funding of the potential right of action

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

General Description	Includes
	<p>Liaising with Manolete regarding their interest in funding the right of action</p> <p>Obtaining Manolete's offer in respect of purchasing the right of action</p> <p>Reviewing the offer from Manolete</p> <p>Obtaining advice in respect of Manolete's offer</p> <p>Liaising with the Company's Director in respect of the right of action.</p>
Realisation of Assets (The Firm)	
Sale of Business and Assets	<p>Review the sale of the business and assets pre-appointment</p> <p>Surrender of lease/assignment</p> <p>Collecting sales consideration</p> <p>Instructing and liaising with JPS</p> <p>Assessment and review of offer received</p> <p>Liaising with secured creditors and seeking releases</p> <p>Exchanges with Josiah Hincks to agree sale and purchase agreement</p> <p>Reviewing asset listings</p>
Motor Vehicles	<p>Instructing JPS to deal with the sale of the property</p> <p>Drive the motor vehicle back to the Joint Liquidators premises in Derby from North Wales</p> <p>Obtain JPS' recommendation from the sale of the motor vehicle</p>
Debtors	<p>Collecting supporting documentation</p> <p>Correspondence with debtors</p> <p>Reviewing and assessing debtors' ledgers</p> <p>Reviewing and assessing the remaining debtors</p> <p>Reviewing and dealing with disputes and requesting supporting evidence from the debtors</p>
Sale of Right of Action	<p>Remittance of Manolete's initial consideration</p> <p>Obtaining updates from Manolete, in respect of the outcome of the right of action</p>
Leasing	<p>Reviewing leasing documents</p> <p>Liaising with owners/lessors and obtaining settlement figures</p>
Realisation of Assets (Bates Weston)	
Claims against Directors	<p>Agreeing a strategy regarding the pursuit of Directors</p> <p>Liaising with Josiah Hincks regarding progress of the claim</p> <p>Considering offer from Manolete for purchase of right of action</p>
Creditors (The Firm)	
Creditor Communication	<p>Receive and follow up creditor enquiries via telephone</p> <p>Review and prepare correspondence to creditors and their representatives via email and post</p> <p>Assisting employees to pursue claims via the RPS</p> <p>Liaising with Clumber regarding the requirement to resubmit the form RP15</p>
Dealing with PODs	<p>Receipting and filing POD when not related to a dividend</p> <p>Corresponding with RPO regarding POD when not related to a dividend</p>
Processing PODs	<p>Preparation of correspondence to potential creditors inviting submission of POD</p> <p>Receipt of POD</p> <p>Request further information from claimants regarding POD</p>
Creditors (Bates Weston)	
Creditor Communication	<p>Review and prepare correspondence to creditors and their representatives via email and post</p>

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

TIME COST INFORMATION FOR THE FINAL PERIOD AND WHOLE PERIOD

APPENDIX IV

FURNACE FARM LIMITED

XXFU05

CVL

TIME COST SUMMARY FOR THE FINAL PERIOD - THE FIRM

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes: Cashiering, Statutory Reporting, Special Projects and Case Specific Matters)	5.90	18.90	0.40	41.80	8.45	19.15	5.85	2.92	103.37	16,635.00	160.93
Creditors (Includes Employees)	2.00	9.10	-	4.50	-	1.10	-	-	16.70	3,750.50	224.58
Investigations	0.70	6.50	-	0.10	-	-	-	-	7.30	1,919.00	262.88
Realisation of assets	-	0.90	-	2.80	0.80	-	-	-	4.50	715.50	159.00
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	8.60	35.40	0.40	49.20	9.25	20.25	5.85	2.92	131.87	23,020.00	174.57
Total Charge	3,053.00	9,027.00	76.00	6,564.00	1,228.75	2,282.25	526.50	262.50	23,020.00		

FURNACE FARM LIMITED

TIME COST SUMMARY FOR THE FINAL PERIOD - BATES WESTON

SIP9 SubCategory / Staff Grade	Insolvency	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes: Cashiering and Statutory Reporting)	0.70	-	-	-	-	-	-	-	0.70	135.00	192.86
Cashiering	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	0.70	-	-	-	-	-	-	-	0.70	135.00	192.86
										23,155.00	174.67

FURNACE FARM LIMITED

XXFU05

CVL

TIME COST SUMMARY FOR THE WHOLE PERIOD - THE FIRM

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes: Cashiering, Statutory Reporting, Special Projects and Case Specific Matters)	13.40	60.70	2.70	86.40	8.78	66.65	19.90	12.82	271.35	42,154.83	155.35
Creditors (Includes Employees)	3.80	31.60	0.40	33.90	-	2.10	-	-	71.80	14,051.00	195.70
Investigations	11.80	33.70	-	12.30	-	4.60	-	-	62.20	14,734.00	236.88
Realisation of assets	-	19.80	0.10	8.80	0.80	-	-	-	29.50	6,334.00	214.71
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	28.80	145.80	3.20	141.40	9.58	73.35	19.90	12.82	434.85	77,273.83	177.70
Total Charge	10,194.00	37,179.00	608.00	18,067.50	1,272.08	7,008.75	1,791.00	1,153.50	77,273.83		

FURNACE FARM LIMITED

TIME COST SUMMARY FOR THE WHOLE PERIOD - BATES WESTON

SIP9 SubCategory / Staff Grade	Insolvency	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes: Cashiering and Statutory Reporting)	5.20	-	0.60	-	0.80	-	-	-	6.60	1,420.00	215.15
Creditors	0.20	-	-	-	-	-	-	-	0.20	50.00	250.00
Cashiering	-	-	-	-	-	-	-	-	-	-	-
Investigations	20.40	-	-	-	27.70	-	-	-	48.10	9,199.00	191.25
Realisation of assets	3.20	-	0.10	-	-	-	-	-	3.30	849.00	257.27
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	29.00	-	0.70	-	28.50	-	-	-	58.20	11,518.00	197.90
Total									493.05	88,791.83	180.09

FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

APPENDIX V

TIME COSTS SUMMARY FOR THE FINAL PERIOD, WHOLE PERIOD & COMPARISON WITH
ESTIMATE

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

Work category	Original Fee Estimate			Actual Time Costs Incurred During the Final Period			Actual Time Costs Incurred During the Whole Period		
	Number of Hours	Average Hourly Rate (£ Per Hour)	Total Fees (£)	Number of Hours	Average Hourly Rate (£ Per Hour)	Total Fees (£)	Number of Hours	Average Hourly Rate (£ Per Hour)	Total Fees (£)
Administration (including statutory reporting and cashiering) – The Firm	72.30	162.04	11,731.50	103.37	160.93	16,635.00	271.35	155.35	42,154.83
Administration (including statutory reporting and cashiering) – Bates Weston	-	-	-	0.70	192.86	135.00	6.60	215.15	1,420.00
Creditors (including employees) – The Firm	32.20	145.39	4,667.00	16.70	224.58	3,750.50	71.80	195.70	14,051.00
Creditors (including employees) – Bates Weston	-	-	-	-	-	-	0.20	250.00	50.00
Investigations – The Firm	-	-	-	7.30	262.88	1,919.00	62.20	236.88	14,734.00
Investigations – Bates Weston	21.00	240.00	5,040.00	-	-	-	48.10	191.25	9,199.00
Realisation of Assets – The Firm	32.30	171.98	5,555.00	4.50	159.00	715.50	29.50	214.71	6,334.00
Realisation of Assets – Bates Weston	-	-	-	-	-	-	3.30	257.27	849.00
Total	157.80	171.06	26,993.50	132.57	174.66	23,155.00	493.05	180.01	88,791.83

FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

APPENDIX VI

EXPENSES SUMMARY FOR THE FINAL PERIOD, WHOLE PERIOD & COMPARISON WITH
ESTIMATE

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

Below are details of the Joint Liquidators' expenses for the Final Period and the Whole Period.

Expenses	Original Expenses Estimate £	Actual Expenses Incurred (But Not Necessarily Paid) in the Final Period £	Actual Expenses Incurred (But Not Necessarily Paid) in the Whole Period £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1 Expenses				
Agents' and Valuers' fees	3,000	-	3,149	Additional expenses have been charged, which were not originally anticipated.
Legal Fees & Disbursements	8,500	-	18,637	Additional legal fees have been incurred in relation to an investigation matter which the Joint Liquidators were not aware of at the time when the original estimate was prepared.
Debt Collection Agents	250	-	-	-
Liquidators' Pre- Appointment Fee	15,000	-	15,000	-
Other Expenses and Subsistence	80	-	151	Breakdown costs were incurred, relocating the van from the Company's trading premises to JPS's premises, which were not originally anticipated.
Pension Advisors	-	-	1,750	The original fees estimate did not anticipate having to deal with a pension scheme operated by the Company.
Redirection of Mail	204	-	-	-
Specific Bond	162	192	411	Due to enhanced realisations, the premium for the required level of bond has increased.
Statutory Advertising	225	-	370	Due to the need to bring the creditors meeting and appointment to the attention of the general public, additional advertisements in local press were considered appropriate.
Stationary & Postage	-	1,093	1,093	Stamps have been purchased to send out notices, which was not originally anticipated as post is normally franked.
Insurance	-	-	876	It was originally anticipated that all insurable assets would be sold immediately on appointment and therefore insurance costs would not be incurred. Following appointment, there was a dispute in relation to landlords fixtures and fittings and therefore, until this had been resolved, these assets needed to be insured. In addition, the motor vehicle needed to be insured for a period of 7 days

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

Expenses	Original Expenses Estimate	Actual Expenses Incurred (But Not Necessarily Paid) in the Final Period	Actual Expenses Incurred (But Not Necessarily Paid) in the Whole Period	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
	£	£	£	
Professional Fees (IT)	-	-	250	Following appointment, it became necessary to employ an IT specialist (within the Firm) to assist in ensuring compliance under GDPR regulations were complied with. This expert advice was required to be provided in a timely manner, which is why the advice was sought from the IT specialist within the Firm.
Storage Costs	1,000	2,069	4,787	Following appointment, it became apparent that there was a considerable number of books and records that needed to be dealt with. The Joint Administrators therefore instructed their storage agents to carry out this work on their behalf. This was work was not originally anticipated.
Total Category 1 Expenses	28,421	3,354	46,474	
Category 2 Expenses				
Mileage (own car usage)	122	98	98	Additional costs were incurred travelling to Solicitors offices, in relation to the investigative matters undertaken.
Total Category 2 Expenses	122	98	98	

**FINAL ACCOUNT FOR FURNACE FARM LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

APPENDIX VII

**PKF SMITH COOPER'S / BATES WESTON'S CHARGE OUT RATES AND DISBURSEMENT
POLICIES**

Information for creditors in relation to fees, expenses and disbursements as of 1 April 2021

General information for creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website here:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- **Contact** – Anita Godson
- **Telephone** – 01332 332021
- **Email** – creditor.correspondence@pkfsmithcooper.com
- **Post** – St Helen's House, King Street, Derby, DE1 3EE

Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them. Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities. When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. PKF Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy which can be accessed on our website using the following link <https://www.pkfsmithcooper.com/bri-privacy-notice/>.

**INFORMATION FOR CREDITORS
IN RELATION TO FEES AND DISBURSEMENTS**

INFORMATION RELEVANT AT 1 APRIL 2017

W	smithcooper.co.uk
F	01332 650290
VAT	123354934

General information to creditors regarding insolvency matters

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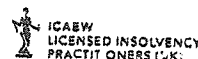
- Contact – Emily Oliver
- Telephone – 01332 332021
- Email – creditor.correspondence@smithcooper.co.uk
- Post – St Helen's House, King Street, Derby, DE1 3EE

Sent from: Smith Cooper, St Helen's House, King Street, Derby DE1 3EE

Smith Cooper is the trading name of SC Advisory Services Limited, a company
Registered in England
Registered number: 7678255
Registered Office: St Helen's House, King Street, Derby DE1 3EE
A list of directors is available for inspection at the above address.



MEMBER



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**CREDITORS' VOLUNTARY LIQUIDATION
FURNACE FARM LIMITED
IN LIQUIDATION**

**LIQUIDATOR'S FEE SCALES AND CHARGES
AS FROM JANUARY 2020**

SUMMARY OF CURRENT HOURLY CHARGE OUT RATES

Insolvency Practitioner	£260
Manager	£165
Support Staff	£24 to £82

Time is recorded and charged to the case on a daily basis in units of not less than one-tenth of one hour (i.e. 6 minutes).

The rates given are current charge out rates and are subject to inflationary increases in each year.

SUMMARY OF CATEGORY 1 DISBURSEMENT CHARGES

Postage – First Class Rate

SUMMARY OF CURRENT CATEGORY 2 DISBURSEMENT CHARGES

Mileage is charged at 45p per mile

Stationery and photocopying is charged as follows:

Letterhead	04p per sheet
Plain Paper	01p per sheet
Photocopying	07p per single sided copy or 14p per double sided copy
Envelopes	12p or 18p per envelope

Processing bank statements £7.49 - £101.15 from 50 to 675 pages of statements

The hourly charge out rates above relate solely to the Insolvency department staff. Certain cases may require input from other specialist areas such as tax advisory within Bates Weston and charge out rates may fall outside of the bandings stated above.

14.01.21

Megan Wallis
Liquidator