

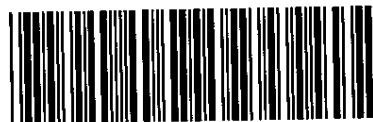
LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A16 11/11/2017 #184
COMPANIES HOUSE

1	Company details	
Company number	0 5 7 5 0 0 1 9	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Orchard Farm (Sussex) Limited	
2	Liquidator's name	
Full forename(s)	Michael Colin John	
Surname	Sanders	
3	Liquidator's address	
Building name/number	New Bridge Street House	
Street	30 - 34 New Bridge Street	
Post town	London	
County/Region		
Postcode	E C 4 V 6 B J	
Country		
4	Liquidator's name ①	
Full forename(s)	Georgina Marie	① Other liquidator Use this section to tell us about another liquidator.
Surname	Eason	
5	Liquidator's address ②	
Building name/number	New Bridge Street House	② Other liquidator Use this section to tell us about another liquidator.
Street	30 - 34 New Bridge Street	
Post town	London	
County/Region		
Postcode	E C 4 V 6 B J	
Country		

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 3	^m 0	^m 9	^y 2	^y 0	^y 1	^y 6
To date	^d 2	^d 2	^m 0	^m 9	^y 2	^y 0	^y 1	^y 7

7 Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X *M. Scott*

X

Signature date

^d 1	^d 0	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7
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LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Michael Colin John Sanders**

Company name **MacIntyre Hudson LLP**

Address **New Bridge Street House**
30 - 34 New Bridge Street

Post town **London**

County/Region

Postcode **E C 4 V 6 B J**

Country

DX

Telephone **0207 429 4100**



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



**Orchard Farm (Sussex) Limited – In Creditors' Voluntary Liquidation
Formerly SJM 4 Limited**

JOINT LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS

For the year ending 22 September 2017

STATUTORY INFORMATION

Company name:	Orchard Farm (Sussex) Limited ("the Company")
Registered office:	New Bridge Street House 30 - 34 New Bridge Street London EC4V 6BJ
Former registered office:	Orchard Farm Shop London Road Etchingham TN19 7QS
Registered number:	05750019
Joint Liquidators' names:	Michael Colin John Sanders and Georgina Marie Eason
Joint Liquidators' address:	New Bridge Street House 30 - 34 New Bridge Street London EC4V 6BJ
Joint Liquidators' date of appointment:	23 September 2015
Actions of Joint Liquidators':	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.



JOINT LIQUIDATORS' ACTIONS SINCE LAST REPORT

There is certain work that I am required by the insolvency legislation to undertake in connection with the Liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix 1.

In addition to the routine work, I have:

- Actively pursued FDMR Limited and its Director for the outstanding payments due under the sale of the Company assets;
- Instructed Hewitson Moorheads solicitors to assist with pursuing the outstanding payments due to the Company; and
- Spent time reviewing a potential claim the Company has in an Individual Voluntary Arrangement and liaising with various parties to obtain further information in an attempt to maximise potential realisations for the benefit of creditors.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 23 September 2016 to 22 September 2017 is attached at Appendix 2.

The balance of funds is held in an interest bearing estate bank account.

ASSETS – SUBJECT TO FIXED CHARGE

Goodwill

An agreement was made with FDMR Limited ("FDMR") to purchase the intangible assets for £8,100. A payment plan was initially agreed and set to be completed by 31 March 2016. £6,600 has been received to date, £1,000 during the reporting period. Despite the time elapsing on the payment plan, a further agreement was made with FDMR to pay £1,000 a week. FDMR has since defaulted on the agreement. I have since chased FDMR for payment on numerous occasions.

In accordance with Statement of Insolvency Practice 13, I have previously given notice that on 23 September 2015 the Company's Goodwill, Tangible Assets and Stock were sold to FDMR. FDMR is a company which shares a mutual director and shareholder with the Company.

ASSETS SUBJECT TO FLOATING CHARGE

Tangible Assets

It was agreed that FDMR would purchase the tangible assets for £4,000 plus VAT.

I can confirm this has been received in full, £1,666.67 plus VAT during the reporting period.

Stock

It was agreed that FDMR would purchase the stock for £2,400 plus VAT.

£1,750 plus VAT has been received to date, £416.67 during the reporting period. I am pursuing FDMR for the outstanding balance.

Shareholders Loan

According to the Company accounts for the year ending 28 February 2014, there is a debt of £118,000 due from a connected party by way of an "unpaid shareholder loan".

I have investigated the position and I am satisfied that this loan remains due and payable.



The connected party is subject to an Individual Voluntary Arrangement ("IVA"). I have corresponded with the Supervisor of the IVA to confirm that the Company was not initially included as a creditor. I have submitted a claim for £118,000 on behalf of the Company and have instructed solicitors Hewitsons Moorhead to investigate this further.

Bank Interest Gross

Interest totalling £1.45 has accrued on funds held in the Liquidation bank account, £0.84 of which was accrued during the reporting period.

PAYMENTS

Legal Disbursements

£23.75 plus VAT has been paid to Hewitsons Moorhead for the legal expenses incurred in relation to their investigation of the shareholders loan position.

LIABILITIES

Secured Creditors

The Company gave a fixed and floating charge to Barclays Bank Plc on 7 February 2009. This charge was registered with the Registrar of Companies on 13 February 2009. It appears that approximately £91,000 may be owed to Barclays Bank Plc.

£2,500 has been paid to Barclays Bank Plc under their fixed charge and this payment was made from proceeds collected from FDMR for the Company's goodwill.

Prescribed Part

Section 176A (1) (a) of the Insolvency Act 1986 requires that where the Company has created a floating charge after 15 September 2003, the liquidator must set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. Net property" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation).

The prescribed part is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000). A liquidator will not be required to set aside the Prescribed Part if the Net Property is less than £10,000 and he thinks the cost of distributing the Prescribed Part would be disproportionate to the benefit.

As the net property is likely to be less than £10,000 the prescribed part provisions will not apply.

Preferential Creditors

To the best of my knowledge there are no preferential creditors in this matter.

Crown Creditors

The Director's Statement of Affairs included £17,730.48 owed to HM Revenue & Customs ("HMRC"). HMRC's claim of £31,025.07 has been received.

Non-preferential unsecured Creditors

The Director's Statement of Affairs included non-preferential unsecured creditors with an estimated total liability of £355,932. I have received claims totalling £127,493.47.



DIVIDEND PROSPECTS

A payment has been made to Barclays Bank under their fixed charge.

It is uncertain if there will be a dividend to unsecured creditors as it is currently unclear as to the level of realisations that will be achieved.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Within six months of my appointment as Joint Liquidator, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of the Company. I highlighted to the Secretary of State that the Director stated that the shareholders loan given to a connected party for £118,000 had been written off, and that the Company was not listed as a creditor in the IVA.

I would confirm that my report to the Secretary of State has been submitted.

PRE-APPOINTMENT REMUNERATION

On 23 September 2015, the creditors authorised the payment of a fee of £7,499.98 plus VAT for my assistance with preparing the statement of affairs and convening and holding the meeting.

I have been paid this in full from first realisations on appointment which are shown in the enclosed receipts and payments account.

JOINT LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by the creditors at a meeting held on 23 September 2015 to be drawn on a time cost basis.

My total time costs to 22 September 2017 amount to £33,493, representing 170.60 hours of work at an average charge out rate of £196.32 per hour, of which £18,332, representing 81.90 hours of work, was charged in the period since 23 September 2016, at an average charge out rate of £223.83 per hour.

I have drawn £1,000 to 22 September 2017.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows MHA MacIntyre Hudson's fee policy are available at the link www.macintyreHUDSON.co.uk/guide-to-fees. Please note that there are different versions of the Guidance Notes and in this case you should refer to the October 2015 version.

JOINT LIQUIDATORS' EXPENSES

I have incurred expenses to 22 September 2017 of £399.17. I have drawn these in full.

A schedule of the disbursements incurred can be seen below:



Type of expense	Amount incurred/ accrued in the reporting period
Companies House	£13.00
Courts Advertising	£253.80
Marsh Insurance	£30.00
Land Registry	£15.00
Total Data Management	£76.57
Encompass Searches	£10.80
Total	£399.17

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Hewitsons Moorhead	Solicitors	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

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

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

To comply with the Provision of Services Regulations, some general information about MHA MacIntyre Hudson can be found at <http://www.macintyreHUDSON.co.uk/information.html>.

SUMMARY

The Liquidation will remain open until we have received payment in full from FDMR and the investigations into the shareholders loan have been concluded. I estimate this could take up to a year and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact John Evans on 0207 429 0526, or by email at john.evans@mhllp.co.uk.

Michael Colin John Sanders
JOINT LIQUIDATOR
Authorised to Act in the UK by the
Insolvency Practitioners Association



Appendix 1

1. Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holders' estate bank account.
- Maintaining and managing the office holders' cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

2. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

3. Investigations

- Review of the Company bank statements.
- Review of the Company books and records.
- Instructing solicitors to review the shareholders loan

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

Statement of Affairs £		From 23/09/2016 To 22/09/2017 £	From 23/09/2015 To 22/09/2017 £
5,000.00	SECURED ASSETS Goodwill	<u>1,000.00</u> 1,000.00	<u>6,600.00</u> 6,600.00
(91,000.00)	SECURED CREDITORS Debenture Holder	<u>2,500.00</u> (2,500.00)	<u>2,500.00</u> (2,500.00)
4,000.00	ASSET REALISATIONS Tangible Assets	1,666.67	4,000.00
2,400.00	Stock	416.67	1,750.00
	Bank Interest Gross	<u>0.84</u>	<u>1.45</u>
		2,084.18	5,751.45
	COST OF REALISATIONS		
	Office Holders' Pre-Appointment Fees	NIL	7,499.98
	Office Holders Fees	1,000.00	1,000.00
	Office Holders Expenses	399.17	399.17
	Legal Disbursements	<u>23.75</u>	<u>23.75</u>
		(1,422.92)	(8,922.90)
(101,277.02)	UNSECURED CREDITORS Trade & Expense Creditors	NIL	NIL
(250,000.00)	Director's Loan Account	NIL	NIL
(13,075.48)	HMRC - PAYE	NIL	NIL
(4,655.00)	HMRC - VAT	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
(1,000.00)	DISTRIBUTIONS Ordinary Shareholders	<u>NIL</u> NIL	<u>NIL</u> NIL
(449,607.50)		<u>(838.74)</u>	<u>928.55</u>
	REPRESENTED BY		
	Vat Receivable		284.58
	Bank 2 Current		643.97
			<u>928.55</u>

Michael Colin John Sanders
Joint Liquidator

Orchard Farm (Sussex) Limited In Creditors' Voluntary Liquidation

Analysis of Time Costs for the period 23 September 2016 to 22 September 2017

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashiering		Total Hours	Time Cost		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		£	£	
Administration and Planning	0.00	0.00	0.00	0.00	1.90	558.00	12.20	1,909.50	0.40	62.00	0.00	0.00	14.50	2,529.50		174.45
Meetings	0.00	0.00	0.00	0.00	0.40	104.00	2.50	393.00	0.00	0.00	0.00	0.00	2.90	497.00		171.38
Investigations	8.70	4,222.50	0.00	0.00	0.00	0.00	17.60	2,811.00	0.00	0.00	0.00	0.00	26.30	7,033.50		267.43
Realisation of Assets	4.10	2,019.00	0.00	0.00	2.00	537.50	0.00	0.00	0.00	0.00	0.00	0.00	6.10	2,556.50		419.10
Secured Creditors	0.00	0.00	0.00	0.00	0.70	189.00	2.20	354.00	0.00	0.00	0.00	0.00	2.90	543.00		187.24
Fixed Charge Realisations	0.00	0.00	0.00	0.00	0.20	59.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	59.00		295.00
Case Review & Mng'mnt	0.90	414.00	0.00	0.00	0.50	147.50	2.80	439.50	0.70	105.00	0.00	0.00	4.90	1,106.00		225.71
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.60	90.00	0.50	76.00	3.40	572.50	4.50	738.50		164.11
Case Accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.40	88.00	1.30	193.00	0.40	64.00	2.10	345.00		164.29
Creditors	0.00	0.00	0.00	0.00	0.40	118.00	15.50	2,350.50	0.00	0.00	0.00	0.00	15.90	2,468.50		155.25
Statutory Reporting	0.30	138.00	0.00	0.00	1.10	286.00	0.00	0.00	0.00	0.00	0.00	0.00	1.40	424.00		302.86
IPS Setup & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.20	31.50	0.00	0.00	0.00	0.00	0.20	31.50		157.50
Total	14.00	6,793.50	0.00	0.00	7.20	1,999.00	54.00	8,467.00	2.90	436.00	3.80	636.50	81.90	18,332.00		223.83
Average Hourly Rate, £		0.00		0.00		277.64		156.80		150.34		167.50				

Orchard Farm (Sussex) Limited In Creditors' Voluntary Liquidation

Analysis of Time Costs for the period 23 September 2015 to 22 September 2017

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashiering		Total Hours	Time Cost		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		£	£	
Administration and Planning	0.00	0.00	0.00	0.00	3.60	1,000.00	48.70	7,845.00	0.60	91.00	0.00	0.00	52.90	8,936.00		168.92
Meetings	0.00	0.00	0.00	0.00	2.50	393.00	1.40	364.00	0.00	0.00	0.00	0.00	3.90	757.00		194.10
CDDA Reports	0.00	0.00	0.00	0.00	0.50	130.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	130.00		260.00
Strategy Case Planning	0.00	0.00	0.00	0.00	0.00	0.00	0.10	15.00	0.00	0.00	0.00	0.00	0.10	15.00		150.00
Investigations	8.70	4,222.50	0.00	0.00	0.00	0.00	39.60	6,313.50	0.00	0.00	0.00	0.00	48.30	10,536.00		218.14
Realisation of Assets	4.10	2,019.00	0.00	0.00	6.30	1,655.50	6.20	1,005.00	0.00	0.00	0.00	0.00	16.60	4,679.50		281.90
Secured Creditors	0.00	0.00	0.00	0.00	0.70	189.00	2.20	354.00	0.00	0.00	0.00	0.00	2.90	543.00		187.24
Fixed Charge Realisations	0.00	0.00	0.00	0.00	0.20	59.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	59.00		295.00
Case Review & Mng'mnt	0.90	414.00	0.00	0.00	0.90	251.50	3.30	514.50	0.70	105.00	0.00	0.00	5.80	1,285.00		221.55
Cashiering	0.00	0.00	0.00	0.00	0.50	162.50	0.60	90.00	1.40	206.50	6.70	1,100.50	9.20	1,559.50		169.51
Case Accounts	0.00	0.00	0.00	0.00	0.40	130.00	1.00	187.00	2.90	425.00	2.20	352.00	6.50	1,094.00		168.31
Creditors	0.00	0.00	0.00	0.00	0.40	118.00	21.10	3,232.50	0.00	0.00	0.00	0.00	21.50	3,350.50		155.84
Statutory Reporting	0.30	138.00	0.00	0.00	1.10	286.00	0.00	0.00	0.00	0.00	0.00	0.00	1.40	424.00		302.86
IPS Setup & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.80	124.50	0.00	0.00	0.00	0.00	0.80	124.50		155.63
Total	14.00	6,793.50	0.00	0.00	17.10	4,374.50	125.00	20,045.00	5.60	827.50	8.90	1,452.50	170.60	33,493.00		196.32
Average Hourly Rate, £		0.00		0.00		255.82		160.36		147.77		163.20				