

WU07

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



Companies House

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

1 Company details

Company number 0 5 8 4 1 0 2 5

Company name in full B.F.R.S. (UK) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Adam

Surname Harris

3 Liquidator's address

Building name/number Mazars LLP

Street 30 Old Bailey

Post town London

County/Region

Postcode E C 4 M 7 A U

Country

4 Liquidator's name ①

Full forename(s) Michael

Surname Pallott

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Mazars LLP

Street 30 Old Bailey

Post town London

County/Region

Postcode E C 4 M 7 A U

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 4	^m 0	^m 6	^y 2	^y 0	^y 2	^y 2
To date	^d 0	^d 3	^m 0	^m 6	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date	^d 3	^d 1	^m 0	^m 7	^y 2	^y 0	^y 2	^y 3
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**Presenter information**

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

Contact name **Endris Talani**

Company name **Mazars LLP**

Address **30 Old Bailey**

Post town **London**

County/Region

Postcode **E C 4 M 7 A U**

Country

DX

Telephone **+44 (0)207 063 4000**

**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

B.F.R.S. (UK) Limited - In Liquidation

Liquidators' progress report covering the period from 4 June 2022 to 3 June 2023

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B.F.R.S. (UK) Limited - In Liquidation (“the Company”)

Progress Report to Creditors & Members

1. Introduction

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 3 June 2023.
- 1.2. Neil John Mather and Adam Harris were appointed Joint Liquidators of B.F.R.S. (UK) Limited by the Secretary of State on 4 June 2018. The winding-up order was made on 10 April 2018 in the Leeds District Registry under reference no. 1137 of 2017.
- 1.3. On 15 February 2022, I, Michael Pallott replaced Neil Mather as Joint Liquidator of the Company pursuant to a Block Transfer Order. Adam Harris and I are authorised to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.4. Identification details relating to the Company and the Liquidators are attached at **Appendix A**.
- 1.5. This report should be read in conjunction with the Joint Liquidators' previous reports.

2. Liquidators' Receipts and Payments

- 2.1. A summary of Receipts and Payments account covering the period from 4 June 2022 to 3 June 2023 is attached at **Appendix B**. The receipts and payments account also covers the cumulative period from the date of appointment to 3 June 2023.
- 2.2. The receipts and payments account confirms that there are no funds remaining in the Liquidation account.

3. Asset Realisations and Details of Progress

- 3.1. In accordance with Statement of Insolvency Practice 13, I would advise you that there have been no transactions with connected parties.
- 3.2. There have been no assets realised during the period covered by this report.

4. Assets still to be realised

- 4.1. No further asset realisations are expected to be realised.

5. **Estimated Outcome Statement**

- 5.1. I have not prepared an Estimated Outcome Statement, due to there being no prospect of a dividend to creditors in the liquidation. Please see Section 6 for further details in this regard.

6. **Liabilities**

Secured Creditors

- 6.1.1. A fixed and floating charge debenture over the Company's assets was granted in favour of Lloyds Bank PLC ("Lloyds"). It was created on 5 March 2015 and was registered at Companies House on 6 March 2015. As at 14 May 2018, the indebtedness to Lloyds totalled £1,144,313, comprising a number of loans.
- 6.1.2. Based on the limited realisations and the expenses incurred, Lloyds will not receive any funds under their security.

Preferential Creditors

- 6.1.3. There are no preferential creditors in this case.

Unsecured Creditors

- 6.1.4. According to the Official Receiver's report to creditors, the Company had liabilities totalling £4,897,314. Claims received to date total £1,045,427 from six creditors.
- 6.1.5. However, as mentioned above, there will not be a distribution to unsecured creditors in this matter.

7. **Prescribed Part**

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter, subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2. As the Company granted a floating charge to Lloyds on 5 March 2015, the provisions regarding the prescribed part would apply in this matter. However, as there is no net property, no prescribed part fund would be available for unsecured creditors.

8. **Investigations**

- 8.1. An initial investigation into the Company's affairs has been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations was to establish whether there are any potential asset recoveries or conduct which requires further investigation.
- 8.2. As reported previously, my investigations have been concluded.

- 8.3. Creditors are reminded that the statutory obligation to consider the director's conduct and to submit an on-line report to the Insolvency Service under the Company Directors' Disqualification Act 1986 remains with the Official Receiver. However, I am obliged to report any matters of unfit conduct to the Official Receiver where identified and I can confirm that this obligation has been complied with.
- 8.4. Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

9. Liquidators' Remuneration

- 9.1. As reported previously, a resolution, by Decision by Correspondence, was passed by the creditors on 18 July 2018, enabling the Joint Liquidators to draw remuneration by reference to the time properly spent by the Joint Liquidators and their staff in dealing with the matters arising during the Liquidation, subject to the Fees Estimate of £20,234 plus VAT, which was issued to creditors on 2 July 2018.
- 9.2. Attached at **Appendix D** is a comparison of the Liquidators' Fees Estimate to actual time costs for the period from 4 June 2022 to 3 June 2023, which total £15,860, representing 65 hours at an average hourly rate of £243. The Liquidators' cumulative time costs since appointment to 3 June 2023 total £58,427 representing 263 hours at an average hourly rate of £222.
- 9.3. Attached at **Appendix E** is a narrative summary of the Liquidators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
- 9.4. Based on the current level of time costs and expected future work for the completion of the liquidation, the Liquidators' total time costs will exceed the approved Fees Estimate. The Liquidators' outstanding time costs will be written off.
- 9.5. As at 3 June 2023, an amount of £14,901 has been drawn against the Liquidators' time costs in respect of the Liquidation.

Charge out rates

- 9.6. Charge out rates are reviewed annually on 1 September and, in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6-minute units with supporting narrative to explain the work undertaken.
- 9.7. The charge out rates of the team members employed on the assignment during the period covered by this report and details of changes from the previous period are provided below. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice is required. The rate ranges provided incorporate these different rates.

Range (£)	Partner	Director / Associate Director	Assistant Manager / Manager	Executive / Senior Executive	Support Staff / Cashier
Current charge out rate per hour, effective from 1 September 2022	660	480 - 540	380 - 420	160 - 220	160 - 180
Previous charge out rate per hour, effective from 1 September 2021	455 - 605	405 - 495	250 - 440	110 - 255	110 - 250

10. Expenses

- 10.1. Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.
- 10.2. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).
- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
 - **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- 10.3. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at **Appendix C**, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the Liquidators' previous Expenses Estimate, for comparison purposes.

Category 1 Expenses

- 10.4. I have reviewed the expenses incurred to date and I am satisfied that they are fair and reasonable and proportionate in the circumstances of the case. I can confirm that as at 3 June 2023, the amount of £432.70 has been drawn as part of the Liquidators' Category 1 disbursements.

Category 2 Expenses

- 10.5. As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.
- 10.6. There have been no Category 2 expenses incurred or paid during the current reporting period.

11. Matters outstanding

- 11.1. There are no other matters outstanding on this case. Accordingly, I will shortly proceed with the closure of this case, bringing the Liquidation to an end.

12. Creditors' Rights

Further information

- 12.1.1. I would advise you that pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

Apply to Court

- 12.1.2. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds:

- A. That the remuneration charged by the Liquidators, or
- B. That the basis fixed for the Liquidators' remuneration, or
- C. That the expenses incurred by the Liquidators,

is, in all of the circumstances, excessive or inappropriate.

Further guidance

- 12.1.3. In accordance with Statement of Insolvency Practice 9, creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/> or, alternatively, will be provided free of charge upon written request to this office.
- 12.1.4. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit <http://www.creditorinsolvencyguide.co.uk>.



M Pallott
Joint Liquidator

Dated 31 July 2023

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

B.F.R.S. (UK) Limited - In Liquidation

STATUTORY INFORMATION

Details relating to the Company

Company name	B.F.R.S. (UK) Limited
Previous names	AF EXPO LIMITED
Trading name	-
Company number	05841025
Registered office	C/o Mazars LLP, 30 Old Bailey, London, EC4M 7AU
Trading address	Vista Business Centre, Salisbury Road, Hayes, Middlesex, UB3 5ND

Details relating to the Current Liquidators

Date of appointment	4 June 2018
Liquidators	Adam Harris and Michael Pallott both of Mazars LLP IP Nos 015454 and 023650
Previous Liquidators	Neil Mather IP No 008747
Liquidators' address	Mazars LLP, 30 Old Bailey, London, EC4M 7AU
Liquidators' contact telephone number	020 7063 4000

B.F.R.S. (UK) Limited – In Liquidation
LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

Statement of Affairs £	From 04/06/2022 To 03/06/2023 £	From 04/06/2018 To 03/06/2023 £
ASSET REALISATIONS		
Bank Interest Gross	NIL	15.12
Bank refund	NIL	28,856.86
Rates Refund	NIL	538.43
	<u>NIL</u>	<u>29,410.41</u>
COST OF REALISATIONS		
Bank Charges	88.00	440.00
Corporation Tax	NIL	3.02
DTI Cheque Fees	0.15	0.45
Liquidator's Disbursements	NIL	432.70
Liquidator's Fees	3,437.24	14,900.51
OR Balance	NIL	9,400.00
Petitioning Creditor's costs	NIL	4,233.73
	<u>(3,525.39)</u>	<u>(29,410.41)</u>
	<u>(3,525.39)</u>	<u>(0.00)</u>
REPRESENTED BY		<u>NIL</u>

B.F.R.S. (UK) Limited – In Liquidation
EXPENSE STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense		Original Expense Estimate	Incurred in previous period	Incurred in current period	Likely future expenses	Total Expenses
			(£)	(£)	(£)	(£)	(£)
Category 1 Expenses							
Secretary of State Bank Charges	All funds collected in a compulsory winding up must be banked with The Insolvency Service at the Bank of England. A breakdown of the fees charged is as follows:		-	352.30	88.15	-	440.45
	Fees						
	Quarterly Banking Fee	22.00					
	BACS Payment	0.15					
	Cheque Fee	1.10					
	CHAPS Payment	10.3					
	Unclaimed Dividend Fee	25.75					
	Fee	25.75					
Official Receiver's general fee	A fixed fee of £6,000 is levied by the Secretary of State on all cases where the winding up petition was presented after 21 July 2016. The fee contributes towards the costs of administering the cases by the Official Receiver/Insolvency Service.		-	6,000.00	-	-	6,000.00
Official Receiver's Costs	The Official Receiver's initial costs of administration must be paid as a priority in all cases. In this case the sum of £5,000 has been charged. My receipts and payments account shows the Official Receiver's fee and costs net of the petition fee of £1,600.		-	5,000.00	-	-	5,000.00
Corporation Tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.		-	3.02	-	-	3.02
Petitioning Creditor's Costs	The petitioning creditor is entitled to receive their costs in presenting a petition and obtaining a winding up order as a priority after the Official Receiver's costs. The petition creditor has not yet confirmed their costs.		-	4,233.73	-	-	4,233.73
Total Category 1 Expenses			-	15,589.05	88.15	-	15,677.20

B.F.R.S. (UK) Limited – In Liquidation
EXPENSE STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	Original Expense Estimate (£)	Incurred in previous period (£)	Incurred in current period (£)	Likely future expenses (£)	Total Expenses (£)
Category 2 Expenses						
These expenses require approval in the same manner as the office holder's remuneration.						
Total Category 2 Expenses		-	-	-	-	-

Mazars LLP Fees & Expenses						
Liquidators' Remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.	-	11,463.27	3,437.24	-	14,900.51
Liquidators' Disbursements	<p>Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds.</p> <p>A breakdown of expenses incurred in this manner, as detailed further in my previous reports, are as follows:</p> <ul style="list-style-type: none"> - Specific bond - It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis the assets recovered are likely to total less than £10,000, the bond paid to JLT Specialty Ltd was £20. - Statutory advertising - Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment. This cost relates to the advertising of my appointment. - Courier - Courier for the collection of company files from Official Receiver by City Sprint UK Limited. - Storage Cost - Collection and storage of company files by Fyfield Equipment Limited 	-	432.70	-	-	432.70
Total Fees & Expenses for Mazars LLP		-	11,895.97	3,437.24	-	15,333.21
Total		-	27,485.02	3,525.39	-	31,010.41

B.F.R.S. (UK) Limited – In Liquidation

LIQUIDATORS' ANALYSIS OF TIME COSTS AND COMPARISON TO FEES ESTIMATE

The following table provides details of the Joint Liquidators' actual time costs incurred in the current reporting period, compared to the estimated costs as per the Fees Estimate. The table also includes the cumulative period from 4 June 2018 to 3 June 2023, which provides details of the Liquidators' total time costs since appointment.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken at **Appendix E**.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Description of Work	Fees Estimate Approved on 18 July 2018			Actual time costs for the period 4 June 2022 to 3 June 2023			Cumulative time costs for the period to 3 June 2023		
	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	17.90	3,423.00	191.00	5.10	1,314.00	257.65	34.60	7,964.50	230.19
Taxation	3.50	473.00	135.00	10.30	2,568.00	249.32	24.80	5,738.00	231.37
Investigations	17.50	3,630.00	207.00	1.10	458.00	416.36	44.70	11,437.50	255.87
Realisation of Assets	12.00	2,430.00	202.50	1.30	422.00	324.62	11.60	2,683.00	231.29
Creditors	7.00	1,627.50	232.50	19.70	5,060.50	256.88	19.70	5,060.50	256.88
Reporting	28.00	4,770.00	170.36	5.10	1,098.00	215.29	37.70	7,331.00	194.46
Cashiering	6.00	780.00	130.00	12.90	2,732.00	211.78	44.70	9,240.00	206.71
Statutory compliance	18.00	3,100.00	172.00	9.80	2,208.00	225.31	44.80	8,972.50	200.28
TOTALS	109.90	20,233.50	184.11	65.30	15,860.50	242.89	262.60	58,427.00	222.49

B.F.R.S. (UK) Limited – In Liquidation

NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS FOR
THE PERIOD 4 JUNE 2022 TO 3 JUNE 2023**Introduction**

This summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

The narrative summary should be read together with the Liquidators' Analysis of Time Costs and comparison to Fee Estimate at Appendix D.

Work carried out in the current period**ADMINISTRATION AND PLANNING***

The Liquidators have undertaken the following work in the current period:

- Ongoing strategy meetings.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

TAXATION

The Liquidators have undertaken the following work in the current period:

- Preparing and submitting post-Liquidation Corporation Tax returns, as required by statute.
- Liaising with HM Revenue & Customs ("HMRC") and requesting tax clearance.

The majority of this work derived no financial benefit for creditors; however, it is required in accordance with tax legislation.

INVESTIGATIONS AND REALISATION OF ASSETS

- This time all relates to a final review of the position in order to proceed to close the Liquidation.

CREDITORS*

Six unsecured creditor claims have been received. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Responding to any queries which arise.
- Logging creditor claims.

REPORTING*

Reporting requirements during the period as prescribed by statute have included the following:

- Annual progress reports are required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an update on the progress of the Liquidation.

CASHIERING*

Cashiering work undertaken in the current period includes:

- Bank account maintenance, including periodic reconciliations.
- Calculating funds in hand and reconciling to outstanding expenses.
- Issuing payments and preparing the appropriate paperwork for such transactions.

STATUTORY AND COMPLIANCE*

The work undertaken as required by statute and our internal procedures involves:

- Case monitoring and statutory compliance, including internal case reviews.

*The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.