

LIQ03

Notice of progress report in voluntary winding up



Companies House

MONDAY



A19 *A94UBP80* 11/05/2020 #23
COMPANIES HOUSE

1 Company details

Company number 0 6 4 1 9 7 5 2

Company name in full Swich (UK) Limited T/A SNOG

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

2 Liquidator's name

Full forename(s) Asher

Surname Miller

3 Liquidator's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

4 Liquidator's name ①

Full forename(s) David

Surname Rubin

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

5 Liquidator's address ②

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

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 2	^d 1	^m 0	^m 2	^y 2	^y 0	^y 1	^y 9	
To date	^d 2	^d 0	^m 0	^m 2	^y 2	^y 0	^y 2	^y 0	

7 Progress report

	<input checked="" type="checkbox"/> The progress report is attached	
--	---	--

8 Sign and date

Liquidator's signature	<div>Signature</div> <div> X  X </div>								
Signature date	^d 2	^d 0	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0	

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Presenter information

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

Contact name **Robert Cowie**

Company name **David Rubin & Partners**

Address
Pearl Assurance House
319 Ballards Lane

Post town **London**

County/Region

Postcode **N 1 2 8 L Y**

Country

DX **Finchley 1**

Telephone **020 8343 5900**



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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ❶
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

➔ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☐ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☒ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

David

Surname

Buchler

3 Insolvency practitioner's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

Swich (UK) Limited T/A SNOG
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 21/02/2019 To 20/02/2020 £	From 09/02/2018 To 20/02/2020 £
SECURED CREDITORS		
Chargeholder (1)	31,000.00	31,000.00
	(31,000.00)	(31,000.00)
ASSET REALISATIONS		
Cash at Bank re Admin	44,673.84	44,673.84
Refund/Recovery	7,195.73	7,195.73
VAT Refund	711.86	9,891.81
	52,581.43	61,761.38
COST OF REALISATIONS		
Office Holders Fees	7,000.00	7,000.00
Professional Fees	8,211.25	8,211.25
Prov. Liquidators Fees	6,000.00	6,000.00
Statutory Advertising	174.96	174.96
	(21,386.21)	(21,386.21)
	195.22	9,375.17
REPRESENTED BY		
Current Account		8,775.17
Vat Receivable		600.00
		9,375.17

Asher Miller
Joint Liquidator

IN THE MATTER OF
SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
AND
THE INSOLVENCY ACT 1986

THE LIQUIDATOR'S FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 20 FEBRUARY 2020

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

CONTENTS

- a. Introduction
- b. Statutory information
- c. Liquidator's name and address
- d. Any Change in the Office Holder
- e. Details of progress during the period and summary account of receipts and payments
- f. Liquidator's remuneration and expenses
- g. Creditors and distributions
- h. Details of what remains to be done
- i. Other information of relevance to creditors
- j. Next report

APPENDICES

- A. Receipts and Payments Account from 21 February 2019 to 20 February 2020
- B. Time Analysis for the period 21 February 2019 to 20 February 2020

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

The Company entered into Administration on 9 February 2018 pursuant to an application filed at The High Court of Justice, Chancery Division. The appointment was made by the Directors of the Company pursuant to paragraph 22 of Schedule B1 to the Insolvency Act 1986. The Company was subsequently moved into Liquidation on 20 February 2019, pursuant to paragraph 83(7)(a) of the Insolvency Act 1986.

This report provides an update on the progress in the liquidation pursuant to Section 104A of the Insolvency Act 1986 for the year ended 20 February 2020.

Rule 18.3: Progress Report

(b) Statutory information

Company name: Swich (UK) Limited T/A SNOG
Registered office: Pearl Assurance House, 319 Ballards Lane, London, N12 8LY
Company number: 06419752
Trading name: SNOG
Trading address: Various

(c) Liquidator's name and address:

Asher Miller and David Rubin both of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY and David Buchler of Buchler Phillips, 6 Grosvenor St, Mayfair, London W1K 4PZ, were appointed Joint Liquidators of the Company on 21 February 2019.

(d) Any changes in the Office Holder

We were appointed Joint Liquidators of the Company on 21 February 2019. There has not been a change in the Office Holders since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

As advised in the Joint Administrators' various reports, the business and assets of the Company were sold to Conjure Group Limited ("Conjure") on 1 May 2018 and included all of the Company's rights, title and interest in the leasehold property, goodwill, trading name, URLs, fixtures & fittings, office equipment and furniture & equipment and stock. Conjure is an entity connected to the directors of the Company, namely, Tristan Pestana and Samuel Bratt. The consideration was made up as follows:

	£
Goodwill and the Business Intellectual Property	150,000
Leasehold properties	25,000
Equipment	66,500
Stock	8,500
Total	250,000

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

The sale agreement also provided for additional consideration payable should Conjure's sales exceed initial expectations. This additional consideration is calculated as the amount by which 3% of the actual recorded monthly turnover exceeds the prescribed monthly instalment due for that month.

During the period under review, there have been ongoing discussions with Conjure regarding the arrears of the deferred consideration payments caused by cash flow difficulties. Conjure was trying to raise finance to enable the total amount due under the sale agreement to be settled. Unfortunately this never materialised and an alternative payment plan of smaller, monthly payments was agreed in February 2020.

Since the date of this report a further £13,783 has been received against the outstanding balance. However, due to the UK government's lockdown measures that came into force on 23 March 2020 all of Conjure's stores have had to close and as a result is generating no revenue. In the circumstances I have agreed to a payment holiday until it such time that the stores are able to reopen.

A Receipts and Payments Account is attached at Appendix A, which is further explained below.

1. Receipts

1.1 Balance brought over from the Administration

The balance of £54,566 which was held in respect of the realisations made in the preceding administration was transferred into the liquidation.

1.2 Refund/Recovery

During the period under review the sum of £7,195.73 was recovered from various sources, mainly in relation to business rates refunds and recouping historic overpayments.

2. Payments

2.1 Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the notice of the appointments of the Liquidators.

2.2 Legal fees

As reported in the Joint Administrators final report to creditors, the amount of £8,386 was due but had not been paid to Sprecher Grier in respect of its services in the preparation of the appointment documentation and their subsequent time and advice in relation to the documentation of the sale of the business and assets of the Company. Sprecher Grier was paid £8,211 in the liquidation and it is not anticipated that there will be any further cost in this respect.

Sprecher Grier is a law firm that specialises in the fields of restructuring and insolvency and they were chosen on that basis after taking into account the size and

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

complexity of the legal issues. Sprecher Grier charge their fees on a time costs basis and they have provided me with an analysis of the time they have spent.

2.3 Joint Administrators' fees

It should also be noted that the balance of fees due to the Joint Administrators, as reported in the Joint Administrators' final report, of £93,692 could not be drawn during the Administration due to lack of funds. These unpaid costs form a first charge against the realisations in the Liquidation and will be drawn when funds permit. These unpaid Administration costs will rank ahead of the liquidation costs for payment.

(f) Liquidator's Remuneration and Expenses

1. Basis of remuneration

Creditors may recall that at the meeting of creditors on 19 April 2018 to discuss the Joint Administrators' proposals, a resolution was passed to fix the Joint Administrators' remuneration by reference to the time given by the Joint Administrators and the various grades of their staff according to their firm's usual charge out rates in attending to matters arising in the administration, and further the Joint Administrators were authorised to draw category 2 disbursements and be entitled to draw sums on account of their remuneration and disbursements as and when funds permit.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), I would advise that my firm's current hourly chargeout rates applicable to this appointment, which are charged in units of 6 minutes, exclusive of VAT, are as follows:-

	£
Senior / Managing Partners	550
Partners / Office holders	495
Managers / Senior Managers	350 - 395
Senior Administrators	220 - 295
Administrators	160 - 200
Cashiers and Assistants	150 - 295
Support Staff	120 - 150

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. *Liquidator's remuneration*

My time costs for the year under review are £18,659. This represents 73:06 hours at an average rate of £255.25 per hour. I attach as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

I initially provided creditors a fee estimate £45,123.67 for the liquidation. The time costs incurred to-date is within the budget provided and I do not expect the estimate to be exceeded.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: bps104@drco.co.uk PASSWORD: BPS104*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following:-

- i) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims.
- ii) Applying for the Liquidator's bond, as required by the Insolvency Practitioners Regulations 2005.
- iii) Monitoring of the collection and calculation of the deferred consideration payments from Conjure and negotiations surrounding the early settlement.
- iv) Periodic case and file reviews to ensure compliance with regulatory obligations.
- v) Preparation and circulation of my annual progress reports and Receipts and Payments Account to creditors pursuant to S104A of the Insolvency Act 1986 and submission of same to the Registrar of Companies.

4. *Liquidator's expenses*

Expenses incurred in the liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts

5. *Creditors' rights – Rule 18.9 and Rule 18.34*

- i) Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) (a) Secured creditors

Lloyds holds a fixed and floating charge over the Company's assets, created on 26 November 2015 and registered at Companies House on 27 November 2015. The outstanding balance at the time of my appointment was £162,749 which is in accordance with the Company's records. The balance on the current account held with Lloyds, in addition to the receipts paid into the account post appointment, totalling £55,328.76, will be offset from the amount owed. Interest continues to accrue on the amount outstanding.

During the period under review I have made further payments to Lloyds totalling £31,000. Lloyds has now received payments totalling £56,000 in respect of its security.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts.

Based on present debt information, I estimate the value of the Company's sole charge holder's will be repaid in full from the fixed charge assets and accordingly Prescribed Part will not apply.

(ii) Preferential creditors

As a result of the sale of the business as a going concern, the employees of the Company were offered employment with Conjure. Accordingly, there have not been any preferential claims received.

(iii) Unsecured creditors

As funds may become available for unsecured creditors, I have been requesting creditors to submit their claims so that they can be adjudicated. As at the date of this report, the claims of 21 creditors with a total value of £734,003 have been established. The claims of 5 creditors with an estimated total value of £406,686 have yet to be received.

(h) Details of what remains to be done

Apart the deferred consideration referred to at (c) above, all assets have been realised.

SWICH (UK) LIMITED T/A SNOG - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(i) Other information of relevance to creditors:

Investigations

1. In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy (BEIS). As this is a confidential report, I am not able to disclose the contents.
2. Shortly after my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My examinations have not revealed any issues requiring further investigation.

(j) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account which will conclude my administration of the Liquidation.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Robert Cowie, or their assistant, Rhiannon McColl at this office.



ASHER D MILLER - JOINT LIQUIDATOR

DATE: 17 APRIL 2020

SWICH (UK) LIMITED
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD FROM 21 FEBRUARY 2019 TO 20 FEBRUARY 2020

	<u>Realised</u>	
	<u>to-date</u>	
	£	£
<u>Receipts</u>		
Assets subject to fixed charge		
Balance c/f from Administration		40,975.00
Less: 15% fixed charge collection apportionment		<u>(5,000.00)</u>
		35,975.00
Less: Paid to Lloyds		<u>(31,000.00)</u>
Balance of fixed charge assets c/f		<u>4,975.00</u>
 Assets subject to floating charge		
Balance c/f from Administration		13,590.65
Refunds		<u>7,195.73</u>
		20,786.38
<u>Payments</u>		
Statutory advertising	174.96	
Legal fees	8,211.25	
Balance of Joint Administrators' fee	<u>10,000.00</u>	
		<u>(18,386.21)</u>
 Balance of floating charge assets		2,400.17
 Balance of fixed charge assets b/d		<u>4,975.00</u>
		<u>7,375.17</u>
 Represented by:-		
Balance at bank		6,775.17
VAT Recoverable		<u>600.00</u>
		<u>7,375.17</u>

SWICH (UK) LIMITED T/A SNOG - IN CREDITORS VOLUNTARY LIQUIDATION							
LIQUIDATOR'S TIME COSTS							
FOR THE PERIOD FROM 21 FEBRUARY 2019 TO 20 FEBRUARY 2020							
SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager Senior Manager	Admin Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
Statutory filings, circulars, notices, etc.	00:00	00:06	06:36	00:00	06:42	1,079.50	161.12
Taxation: PAYE, C Tax & VAT	00:36	02:54	07:36	00:00	11:06	2,160.50	194.64
Accounting & Cashiering	00:00	00:00	00:18	09:30	09:48	1,940.00	197.96
Case reviews & Diary maintenance	00:42	00:12	09:54	00:00	10:48	1,933.50	179.03
Statutory reporting and compliance	00:00	00:00	00:30	00:00	00:30	75.00	150.00
Shareholders' enquiries & distributions	00:00	00:00	00:12	00:00	00:12	30.00	150.00
Realisation of assets							
Freehold & leasehold properties	01:18	00:00	02:48	00:00	04:06	1,073.50	261.83
Book debts collection	00:00	00:00	00:18	00:00	00:18	48.00	160.00
Tangible assets	05:18	14:54	01:42	00:00	21:54	8,487.00	387.53
Creditors							
Secured creditors	00:24	01:18	00:30	00:00	02:12	791.50	359.77
Unsec'd Creditors: correspondence & claims	00:00	00:42	03:18	00:00	04:00	800.50	200.13
Preferential creditors & employees	00:00	00:00	00:06	00:00	00:06	16.00	160.00
Total hours and costs	08:18	20:06	35:12	09:30	73:06	18,659.00	255.25