

LIQ03

Notice of progress report in voluntary winding up



Companies House

MONDAY



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03/06/2019

#64

COMPANIES HOUSE

1 Company details

Company number 0 6 7 2 1 1 9 1

Company name in full FLEXYFOOT LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) MANUBHAI GOVINDBHAI

Surname MISTRY

3 Liquidator's address

Building name/number HORSFIELDS, BELGRAVE PLACE

Street 8 MANCHESTER ROAD

Post town BURY

County/Region GREATER MANCHESTER

Postcode B L 9 0 E D

Country ENGLAND

4 Liquidator's name ①

Full forename(s) HEMAL

Surname MISTRY

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number HORSFIELDS, BELGRAVE PLACE

Street 8 MANCHESTER ROAD

Post town BURY

County/Region GREATER MANCHESTER

Postcode B L 9 0 E D

Country ENGLAND

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6 Period of progress report

From date	y	0	d	4	m	0	m	4	y	2	y	0	y	1	y	8
To date	y	0	d	3	m	0	m	4	y	2	y	0	y	1	y	9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

m. J. Smith

X

Signature date

y	0	d	3	m	0	m	4	y	2	y	0	y	1	y	9
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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 **MANUBHAI GOVINDBHAI MISTRY**

Company name **HORSFIELDS**

Address **BELGRAVE PLACE**

8 MANCHESTER ROAD

Post town **BURY**

County/Region **GREATER MANCHESTER**

Postcode **B L 9 0 E D**

Country **ENGLAND**

DX

Telephone **01617633183**

**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

ANNUAL PROGRESS REPORT
FLEXYFOOT LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)

HORSFIELDS
Belgrave Place
8 Manchester Road
Bury
Lancashire
BL9 0ED
Email: info@horsfields.com
Telephone: 0161 763 3183

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DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The Joint Liquidators	Manubhai Govindbhai Mistry and Hemal Mistry of Horsfields
The Company	Flexyfoot Limited (in Liquidation)
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 4 April 2018 to 3 April 2019

EXECUTIVE SUMMARY

This report details the progress of the Liquidation from 4 April 2018 to 3 April 2019, hereafter referred to as the 'Review Period' and should be read in conjunction with previous reports. A summary of key information in this report is detailed below

Assets, excluding VAT where applicable

Asset	Estimated to realise per Statement of Affairs £	Realisations to date £	Anticipated future realisations £	Total anticipated realisations £
Funds with Horsfields	3,242	3,242.13	Nil	3,242.13
Stock and tangible assets	TBC	10,000.00	Nil	10,000.00
Debtors		87.78	Nil	87.78
Cash at bank		3,768.93	Nil	3,768.93
Sundry refund		310.47	Nil	310.47
Assignment fees		270.00	Nil	270.00

Expenses, excluding VAT where applicable

Expense	Amount per fees and expenses estimates £	Expense incurred to date £	Anticipated further expense to closure £	Total anticipated expense £
Statement of Affairs fee	5,000.00	5,000.00	Nil	5,000.00
Joint Liquidators' fees	29,874.00	12,630.50	2,000.00	14,630.50
Legal fees	2,000.00	1,375.00	Nil	1,375.00
Agents' fees	10,000.00	7,450.88	Nil	TBC
Accountants fees		750.00	Nil	750.00
Sundry refund		289.71	Nil	289.71
Statutory advertisements	253.80	185.52	Nil	185.52
Bond	186.00	80.00	Nil	80.00
Printing, postage and stationery	168.00	382.14	200.00	582.14

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Preferential creditors	0 pence in the £	0 pence in the £
Unsecured creditors	0 pence in the £	0 pence in the £

Closure

Based on current information, it is anticipated that the liquidation will be concluded within the next 6 months.

ADMINISTRATION AND PLANNING

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.

Reporting

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 Review Period, the following key documents have been issued:

- The report presented to the S100 meeting of creditors

Other administration tasks

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

- Case reviews, etc.

ENQUIRIES AND INVESTIGATIONS

During the Review 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 director 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 director provided certain of the books and records and a completed questionnaire as well as a Statement of Affairs.

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.

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 has been completed and the Joint Liquidators did not identify any further assets or actions which might lead to a recovery for creditors.

REALISATION OF ASSETS

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Joint Liquidators formulated and worked through

a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Book debts

The Liquidators reviewed and chased the outstanding debtor ledger, of which £87.78 has been received to date.

Stock

The book value of the stock in the Director's Statement of Affairs was £23,900 and the estimated to realise value was detailed as 'TBC'. An assessment and valuation of stock was provided by Cerberus Asset Management. The Joint Liquidators' agents recommended the marketing strategy as detailed below. Sale consideration of £10,000 plus VAT was accepted and funds were received on 8 May 2018.

Some of the stock was subject to retention of title claims. The Joint Liquidators liaised with creditors, while obtaining and reviewing evidence on the validity of the retention of title claims. Where a valid retention of title claim was identified the creditors were allowed to attend on site, locate and remove their stock.

Cash at bank

On 18 May 2018, Natwest transferred the current account balance on £3,768.93. On 17 July 2018 a further credit was received from Natwest on 310.47 from additional funds received.

From the cash at bank funds obtained by the Joint Liquidators were £289.71 which was paid in error and subsequently refunded.

Marketing

Cerberus Asset Management were instructed to value and market the stock. It was determined that the appropriate marketing strategy would be advertising on-line as well as contacting market competitors. A sales pack was produced by Cerberus Asset Management. There were 4 interested parties prior to the sale.

Assignment fees

After the sale of the stock, the Joint Liquidators were contacted to re-assign the intellectual property rights of the company. The Liquidators charged an additional £270.00 plus VAT for their time to complete the assignment.

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 anticipated outcomes to creditors and any distributions paid.

Secured creditors

The Company has granted charges over its assets, however both charges are shown to be satisfied as at 9 November 2017.

Preferential creditors

Employee claims

2 employees were made redundant on 26 February 2018. The relevant information for employees to submit claims has been made to the Redundancy Payments Office and information and help has been given to employees to enable them to submit their claims online.

Employees were shown to be owed £2,458 in the director's Statement of Affairs. A claim of £402.26 has been received from the Redundancy Payments Service all of which is claimed preferentially.

The Joint Liquidators do not anticipate being able to pay a distribution in respect of known preferential claims.

Unsecured creditors

HM Revenue & Customs was shown as 'TBC' in the directors Statement of Affairs. A claim of £3,149.59 has been received.

The trade and expense creditors as per the Statement of Affairs totalled £71,374. The Liquidators are not incurring costs to agree creditors' claims as there is currently no prospect of funds becoming available for a distribution to unsecured creditors.

Dividend prospects

No dividend is anticipated to be declared to unsecured creditors, as all funds will have been used or allocated for paying the expenses of the winding up.

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

However, in this case all charges have been satisfied and a prescribed part calculation will not be required.

FEES AND EXPENSES

Pre-Appointment Costs

Fixed fee agreed with the Director and ratified by creditors.

The creditors authorised the fee of £5,000.00 for assisting the directors in calling the relevant meetings and with preparing the Statement of Affairs on 4 April 2018. This fee remains to be drawn from the estate account.

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. However, the Insolvency Practitioners are involved in the day to day case work, in particular, where the issues are complex and litigious.

The basis of the Joint Liquidators' fees was approved by creditors on 4 April 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 Joint 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 the firm at the time when the work is performed.”

The time costs for the period 4 April 2018 to 3 April 2019 total £12,630.50, representing 50.2 hours at an average hourly rate of £251.60. No funds have been drawn on account of time costs incurred to date. The time costs for the period are detailed at Appendix IV and a comparison between the original estimate and time costs to date is given at Appendix V.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators consider that:

- the original fees estimate is unlikely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded.

Disbursements

The 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 paid for in the period 4 April 2018 to 3 April 2019 total £265.52 are detailed at Appendix II and represent the reimbursement of actual out of pocket payments made in relation to the assignment.

The category 2 disbursements for the period 4 April 2018 to 3 April 2019 total £382.14 and these may include an element of overhead charges in accordance with the resolution passed by creditors at a meeting held on 4 April 2018. The basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed.

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’ together with the firm’s charge-out rate and disbursement policy may be obtained on request.

Other professional costs

Accountant

LW Accountants were instructed as accountants in relation to the redundancy of the employees including producing the P45’s. LW Accountants costs have been agreed on a fixed fee basis plus VAT. The Accountants fees for the period 4 April 2019 to 3 April 2019 amount to £750 plus VAT and they have been paid in full.

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.

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.

EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

The Company's centre of main interest was in the UK as their registered office address was Unit 5, Windmill Trading Estate, Windmill Lane, Denton, Manchester, M34 3JN and their trading address was Barn House, Warren Lane, Pyrford, Woking, Surrey, GU22 8XD and therefore it is considered that the EU Regulations apply. These proceedings are main proceedings as defined in the EU Regulation.

CONCLUSION

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

The Liquidators are reviewing costs charged by agents in the Review Period and further discussions are required.

Signed  _____

M G Mistry
Joint Liquidator

Date: 30 May 2019

Appendix I

Statutory Information

Company Name	Flexyfoot Limited
Former Trading Name	As above
Company Number	06721191
Registered Office	c/o Horsfields, Belgrave Place, 8 Manchester Road, Bury, BL9 0ED
Former Registered Office	Unit 5, Windmill Lane, Denton, Manchester, M34 3JN
Officeholders	Manubhai Govindbhai Mistry and Hemal Mistry
Officeholders address	Horsfields, Belgrave Place, 8 Manchester Road, Bury, BL9 0ED
Date of appointment	4 April 2018

Appendix II

Receipts and Payments account

	Statement of Affairs	4 April 2018 to 3 April 2019	Total
	£	£	£
Receipts			
Uncharged assets			
Funds with Horsfields	3,242	3,242.13	3,242.13
Stock and tangible assets	TBC	10,000.00	10,000.00
Debtors		87.78	87.78
Cash at bank		3,768.93	3,768.93
Sundry refund		310.47	310.47
Assignment fees		270.00	270.00
Bank interest		27.25	27.25
VAT (on above where applicable)		2,054.00	2,054.00
	<u>3,242</u>	<u>19,760.56</u>	<u>19,760.56</u>
Payments			
Liquidators disbursements - Category 1			
Statutory advertising		185.52	185.52
Liquidators bond fee		80.00	80.00
Legal fee		1,375.00	1,375.00
Accountancy fee		750.00	750.00
Sundry refund		289.71	289.71
VAT - on above where applicable		462.11	462.11
		<u>3,142.34</u>	<u>3,142.34</u>
Balance		£16,618.22	16,618.22

Detailed list of work undertaken for Flexyfoot Limited

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

General Description	Includes
Statutory and General Administration	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance	Filing of documents
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations 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
Pension scheme	Identifying whether there is a pension scheme
Reports	Circulating initial report to creditors
Meeting of Creditors	Preparation of meeting notices, proxies/voting forms and advertisements notice of meeting to all known creditors Collate and examine proofs and proxies/votes to decide on resolutions Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following meeting Issuing notice of result of meeting.
Investigations	
SIP 2 Review	Correspondence to request information on the company's dealings Reviewing questionnaire submitted by director Preparation of deficiency statement
Statutory reporting on conduct of director	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary report if required Assisting the Insolvency Service with its investigations
Realisation of Assets	
Debtors	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers
Stock	Conducting stock takes Reviewing stock values Liaising with agents and potential purchasers Analysing the value in WIP

General Description	Includes
Other assets: intangibles, intellectual property	Liaising with agents to agree disposal strategy Dealing with potential purchasers Negotiating sales Collecting sales consideration
Creditors and Distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend

Current Charge-out Rates for the firm

Time charging policy

Support staff do charge their time to each case.

Support staff include cashier, secretarial and administration support.

The minimum unit of time recorded is 6 minutes.

Staff	Charge out rate per hour from 6 April 2017 to 5 April 2019 £
Insolvency Practitioner	345.00
Directors	345.00
Managers	235.00
Administrators	200.00
Assistants and support staff	135.00

Appendix IV

Time cost information

Activity description	Hourly rate £					Average Rate	
	Partner 1 £345	Partner 2 £345	Administrators £200	Support Staff £135	Total	Total Value	Rate
Hours	Hours	Hours	Hours	Hours	Hours	£	£
Job acceptance & strategy	0.9	0.8	0	0.3	2	627.00	313.50
Immediate tasks	0	0.5	2.9	0	3.4	752.50	221.32
Bank reporting	0	0	0.1	0	0.1	20.00	200.00
Debtors	0.8	0.5	11.5	0	12.8	2,748.50	214.73
Other assets	2.7	7.4	0.1	0	10.2	3,504.50	343.58
Trading	0.4	0	0	0	0.4	138.00	345.00
Creditors	0	0	2.9	0	2.9	580.00	200.00
Members	0.1	0	0	0	0.1	34.50	345.00
Investigations & CDDA	0	0.8	0	0	0.8	276.00	345.00
Employee matters	1.4	0.5	2.1	0	4	1,075.50	268.88
Accounting & administration	0.1	1.1	9.4	0	10.6	2,294.00	216.42
Statutory duties	0	0	2.8	0	2.8	560.00	200.00
Other matters	0	0	0.1	0	0.1	20.00	200.00
	6.4	11.6	31.9	0.3	50.2		
Value £	£2,208.00	£4,002.00	£6,380.00	£40.50		£12,630.50	251.60

Appendix V

Time costs summary for period, cumulative & comparison with estimate for Flexyfoot Limited (in liquidation)

Work category	Original fees estimate			Total time costs incurred to date		
	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	54.4	241.25	13,124.00	19	224.92	4,273.50
Realisation of assets	24	254.38	6,105.00	23.4	273.12	6,391.00
Creditors (claims and distribution)	29	230.52	6,685.00	7	241.43	1,690.00
Investigations	6	248.33	1,490.00	0.8	345.00	276.00
VAT, Taxation and other matters	8	308.75	2,470.00	0	0	0
TOTAL	121.4	246.08	29,874.00	50.2	251.60	12,630.50

Expenses summary for period, cumulative & comparison with estimate for Flexyfoot Limited (in Liquidation)

Below are details of the Joint Liquidators' expenses, excluding VAT for the Review Period.

Expenses, excluding VAT where applicable	Original expenses estimate £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1 Expenses			
Advertising	338.40	158.52	
Bonding	186.00	80.00	
Agent fees	10,000.00	7,450.90	
Legal fees	2,000.00	1,375.00	
Category 2 Expenses			
Printing, postage and stationery	168.00	382.14	Communicating with overseas creditors, additional potential creditors coming to light and the liquidation has proceeded longer than initially anticipated